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ISSUANCE DATE: March 14, 2001
CLOSING DATE: May 11, 2001
CLOSING TIME: 4:00 PM (Yerevan Time)

**Subject: Request for Proposal (RFP) No. 111-01-013, USAID/Armenia
"Tax/Fiscal/Customs Reform" follow-on Program**

The United States Government, represented by the U.S. Agency for International Development (USAID), is seeking proposals from qualified organizations interested in providing the services described in the attached solicitation.

If you decide to submit a proposal, it must be submitted in accordance with the attached solicitation and received in Yerevan no later than the date and time indicated above. Offerors are advised that a minimum of 5 days should be allowed for proposals sent by courier. A minimum of 3 weeks should be allowed for proposals sent through the Washington, D.C. State Department address.

This procurement shall be conducted under full and open competition, under which any type of organization (large or small commercial [for profit] firms, educational institutions, non-profit organizations) is eligible to compete. The procedures set forth in FAR Part 15 shall apply. USAID plans to award a 3-year cost plus fixed fee contract with a total estimated cost in the range of \$14.3 million for implementation of this activity. Revealing the cost range for the contract does not mean that offerors should necessarily strive to meet the maximum amount. Cost proposals shall be evaluated as a part of a Best Value determination for contract award. The offeror is to propose the LOE and staffing according to the offeror's approach for achieving results. The offeror is also to propose key personnel positions and candidates. Sections B through J of the solicitation will become the contract, with blanks completed by the Contracting Officer based on the successful proposal.

This solicitation contains a price evaluation adjustment which will be applied to proposals from offerors which are not U.S. small disadvantaged businesses (SDBs) and to U.S. SDB offerors that waive the adjustment (See Section I of the solicitation). A U.S. SDB offeror that does not waive the adjustment will have limitations on the amount of work that it may subcontract. It should be noted that if the offeror (Prime Contractor) is not a U.S. small business, U.S. small disadvantaged or U.S. women-owned small business concern, a small business subcontracting plan must be submitted as a part of the proposal. Pursuant to FAR 19.702(a)(1), if an acceptable subcontracting plan cannot be negotiated, the offeror will be ineligible for award.

As part of the evaluation criteria addressing Past Performance, offerors are required to demonstrate effective use of Small, Small Disadvantaged and Women-owned Small Businesses in activities undertaken in the past. This factor will not apply to a U.S. SDB offeror that does not waive the price evaluation adjustment described above. Information required for evaluation of this factor may go beyond, and require supplementation to, the information included in the small business subcontracting plan described in the preceding paragraph.

The SIC Code for this solicitation is 8999 and the small business size standard for this procurement is a U.S. firm which is organized for profit and whose average annual receipts during the offeror's preceding three years does not exceed \$5 million.

This solicitation in no way obligates USAID to award a contract, nor does it commit USAID to pay any cost incurred in the preparation and submission of the proposal.

Potential offerors may submit questions in writing to Mr. Yeghiazarian, Contracts Specialist USAID/Armenia prior to the submission of the proposals. Mr. Yeghiazarian can be reached via e-mail at ayeghiazarian@usaid.gov or via facsimile at (374-2) 151-131. Receipt of this RFP through the internet must be confirmed by written notification to Mr. Yeghiazarian if the offeror wishes to be notified of any amendments to the solicitation. Offerors should retain for their records copies of any and all enclosures which accompany their proposals.

Sincerely,

Carlton M. Bennett
Regional Contracting Officer
USAID/Caucasus

Attachment: a/s

SOLICITATION, OFFER AND AWARD		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING	PAGE OF 1 1 PAGES
2. CONTRACT NUMBER		3. SOLICITATION NUMBER 111-01-013		4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input checked="" type="checkbox"/> NEGOTIATED (RFP)	5. DATE ISSUED March 14, 2001
6. REQUISITION/PURCHASE NUMBER 111-01-0027					
7. ISSUED BY Regional Contracting Office USAID/Caucasus/Tbilisi Department of State Washington, D.C. 20521-7060			8. ADDRESS OFFER TO (If other than Item 7) EXO/USAID/Armenia 18 Marshall Baghramian Ave. Yerevan 375019, Armenia		
NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".					
SOLICITATION					
9. Sealed offers in original and <u>2</u> copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in <u>USAID/Armenia, Yerevan, Armenia</u> until <u>16:00</u> local time <u>05/11/2001</u> . (Hour) (Date)					
CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.					
10. FOR INFORMATION CALL: -->		A. NAME Armen Yeghiazarian		B. TELEPHONE (Include area code) (NO COLLECT CALLS) (374 1) 151-955	
		C. EMAIL ADDRESS: ayeghiazarian@usaid.gov			
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OFFER (Must be fully completed by offeror)					
NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16 Minimum Bid Acceptance Period.					
12. In compliance with the above, the undersigned agrees, if this offer is accepted within <u> </u> calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.					
13. DISCOUNT FOR PROMPT PAYMENT (See Section I Clause No. 52.232-8) ->		10 CALENDAR DAYS %	20 CALENDAR DAYS %	30 CALENDAR DAYS %	CALENDAR DAYS %
14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated:		AMENDMENT NO.	DATE	AMENDMENT NO.	DATE
15A. NAME AND ADDRESS OF OFFEROR		CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)	
15B. TELEPHONE NO. (Include area code)		15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.		17. SIGNATURE	18. OFFER DATE
AWARD (To be completed by Government)					
19. ACCEPTED AS TO ITEMS NUMBERED		20. AMOUNT		21. ACCOUNTING AND APPROPRIATION	
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 USC 2304(c)() <input type="checkbox"/> 41 USC 253(c)()		23. SUBMIT INVOICES TO ADDRESS SHOWN IN (copies unless otherwise specified)->		ITEM	
24. ADMINISTERED BY (if other than Item 7)		CODE	25. PAYMENT WILL BE MADE BY		CODE
26. NAME OF CONTRACTING OFFICER (type or print)		27. UNITED STATES OF AMERICA		28. AWARD DATE	
		(Signature of Contracting Officer)			

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

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STANDARD FORM 33 (REV. 9-97)
Prescribed by GSA
FAR (48 CFR) 53.214(c)

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Section B**PART I - THE SCHEDULE****SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS****B.1 PURPOSE**

The purpose of this Tax, Fiscal and Customs Reform Activity (Activity) is to provide technical assistance to the Republic of Armenia (ROA) in the areas of fiscal and customs reform. This technical assistance will be provided to policy-makers and institutions at the national and sub-national levels. Specifically, it will provide technical assistance to the Ministry of Finance and Economy (MFE) and the Ministry of State Revenue (MSR). Its goal is to further fiscal and customs reform by enabling the policy-makers to formulate and implement informed policy decisions that will further develop the fiscal infrastructure necessary for a market economy and by reforming administrative procedures to improve efficiency, transparency and revenue collections.

[End of Clause]

B.2 CONTRACT TYPE

This is a Cost-Plus-Fixed-Fee (CPFF) completion contract. For the consideration set forth below, the Contractor shall provide the deliverables or outputs described in Section F in accordance with the performance standards specified in Section E.

[End of Clause]

B.3 ESTIMATED COST, FIXED FEE, AND OBLIGATED AMOUNT

- (a) The estimated cost for the performance of the work required hereunder, exclusive of fixed fee, if any, is \$_____. The fixed fee, if any, is \$_____. The estimated cost plus fixed fee, if any, is \$_____.
- (b) Within the estimated cost plus fixed fee (if any) specified in paragraph (a) above, the amount currently obligated and available for reimbursement of allowable costs incurred by the Contractor (and payment of fee, if any) for performance hereunder is \$_____. The Contractor shall not exceed the aforesaid obligated amount.
- (c) Funds obligated hereunder are anticipated to be sufficient through _____.

[End of Clause]

B.4 LINE ITEMS

CLIN 0001 - Technical Assistance to the Ministry of \$_____

	Finance and Economy	
CLIN 0002	- Technical Assistance to the Ministry of State Revenues - Tax Administration	\$_____
CLIN 0003	- Technical Assistance to the Ministry of State Revenues - Customs Administration	\$_____
CLIN 0004	- Fixed Fee	\$_____

Note: Offerors are free to propose their own structure for CLINS.

B.5 INDIRECT COSTS (DEC 1997)

Pending establishment of revised provisional or final indirect cost rates, allowable indirect costs shall be reimbursed on the basis of the following negotiated provisional or predetermined rates and the appropriate bases:

Description	Rate	Base	Type	Period
-------------	------	------	------	--------

[TO BE DETERMINED]

[End of Clause]

B.6 CEILING ON INDIRECT COST RATES (DEC 1997)

(1) Reimbursement for indirect costs shall be at the lower of the negotiated final (or predetermined) rates or the following ceiling rates:

Description	Rate	Base	Period
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[TO BE DETERMINED]

(2) The Government will not be obligated to pay any additional amount should the final indirect cost rates exceed the negotiated ceiling rates. If the final indirect cost rates are less than the negotiated ceiling rates, the negotiated rates will be reduced to conform with the lower rates.

(3) This understanding shall not change any monetary ceiling, obligation, or specific cost allowance or disallowance. Any changes in classifying or allocating indirect costs requires the prior written approval of the Grant/Agreement/Contracting Officer.

[End of Clause]

B.7 COST REIMBURSABLE

The U.S. dollar costs allowable shall be limited to reasonable, allocable and necessary costs determined in accordance with FAR 52.216-7, Allowable Cost and Payment, FAR 52.216-8, Fixed Fee, if applicable, and AIDAR 752.7003, Documentation for Payment.

[End of Clause]

[END OF SECTION B]

Section C**SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT****I. Summary**

The purpose of this Tax, Fiscal and Customs Reform Activity (Activity) is to provide technical assistance to the Republic of Armenia (ROA) in the areas of fiscal and customs reform. This technical assistance will be provided to policy-makers and institutions at the national and sub-national levels. Specifically, it will provide technical assistance to the Ministry of Finance and Economy (MFE) and the Ministry of State Revenue (MSR). Its goal is to further fiscal and customs reform by enabling the policy-makers to formulate and implement informed policy decisions that will further develop the fiscal infrastructure necessary for a market economy and by reforming administrative procedures to improve efficiency, transparency and revenue collections.

This Activity will support USAID/Armenia's Strategic Objective 1.3: Growth of a Competitive Private Sector. Specifically, the work to be accomplished under this Activity will support Intermediate Result (IR) #2, Policy, Legal & Institutional Environment Conductive to Private Sector Activity. This Activity directly supports both Lower Level (LL) IRs in IR #2: 1) A comprehensive body of policies/laws establishing appropriate public sector functions/regulation related to private sector activity, and 2) Establish and/or strengthen targeted implementing entities/functions. Overall, this Activity contributes to the reorientation of the ROA from a centrally-planned economy to a decentralized market-oriented economy.

The Activity will provide technical assistance primarily in: a) customs administration improvement and modernization, b) macroeconomic analysis and revenue and expenditure forecasting, c) preparation of a Medium Term Expenditure Framework (MTEF), d) budget planning and execution, and e) tax policy and tax administration (including computerization). Training and capacity building are major components of this Activity.

This program is to be implemented in cooperation with other donor initiatives. USAID/Armenia's fiscal reform activities are closely coordinated with both the International Monetary Fund (IMF), and the World Bank (WB) to ensure that technical assistance and training are provided in support of the fulfillment of IFI loan conditions. The work is also to be coordinated with other US government institutions, such as the US Treasury, and with other public and private international donor organizations active in Armenia to ensure commonality of objectives and policy approaches and to avoid duplication of effort.

USAID/Armenia has budgeted approximately \$14,000,000 for this Activity over a 3-year period.

II. Fiscal reform in Armenia

Since mid-1998, USAID has provided technical assistance to support fiscal reform in Armenia. USAID assistance emphasizes that fiscal reform is integral to Armenia's transition to a market economy. A market-oriented economy

requires sound fiscal policy and fiscal management by an effective MFE to ensure efficient use of budget resources, and market-oriented tax and customs laws and administrations that encourage voluntary compliance. USAID assistance also aims at promoting local government reform and strengthening local government autonomy through fiscal decentralization, administrative efficiency and democratic governance. This section explains the status of fiscal reform and future needs in MFE and MSR (tax and customs).

A. Ministry of Finance and Economy (MFE)

MFE handles all macroeconomic analysis, preparation of MTEF reports, tax policy, revenue and expenditure forecasting, budget formulation and execution and treasury functions. USAID has worked closely with MFE to develop capacity in these areas and much progress has been made. A significant achievement is the development, through USAID assistance, of a fully-developed macroeconomic model with professional staff within MFE trained in its use. However, revenue shortfalls in the first half of 2000 demonstrate that MFE requires a great deal of improvement in its revenue forecasting methods. Revenue shortfalls result in failure by the national government to transfer revenue to regions, non-payments to government employees and reduced transfers to needy families.

As a conditionality for WB loans, MFE has begun preparing an annual MTEF report. The division for preparing these reports, established specifically for this function, receives good support from MFE. The division uses data from the macroeconomic model as a starting point for its modeling and forecasting. The first MTEF report, prepared in 1999, links government policies to budget decisions and sets directions and goals in a medium-term context.

The budget process has improved greatly over the past two years. MFE puts much effort into preparing realistic budgets and is committed to increased transparency in the budgetary process. As a result, budgets are basically sound. However, an outstanding budget issue that needs addressing is the proper handling of off-budget government liabilities, such as energy debts. These liabilities are not part of budget planning and cannot be controlled by MFE, yet are government obligations for which MFE is ultimately responsible. Also, pensions are collected separately, placed in their own fund, and are sometimes subsidized by the state budget.

Line ministries currently do not submit budget proposals. In 1999, two task forces assisted the health and education ministries in preparing budgets for submission to the MFE. Each ministry made progress, but little follow up was done. This process needs to be carried forward to all line ministries. In concert with this, MFE must build more capacity for review and analysis of line ministry proposals.

MFE is very interested in improved financial management, including modern accounting. While computerization of the central treasury and links to the regions are advanced, a greater capacity for public sector accounting is needed, both within the central treasury and within the line ministries. There is little information sharing among the departments and basic cash management is lacking. Treasury also needs to link with the internal debt management division.

Tax laws in Armenia are not codified, but are provided through separate and relatively complete and simple tax laws. These laws include the Law on Income Tax, the Law on Profits Tax, the Law on Value-Added Tax (VAT), the Law on Excise Tax, the Law on Presumptive Tax, the Law on Property Tax, the Law on Land Tax, and a new Law on Simplified Tax (effective July 1, 2000). The overarching Law on Taxes provides the administrative framework. Laws and procedures governing tax are also contained in various other laws, including the Law on Foreign Investment, the newly-enacted Law on Inspections (Audits) and in various and sundry instructions and decrees.

MFE formulates tax policy, but for the past two years it has imposed a moratorium on major changes in the area of tax policy and currently there is no movement toward codifying the tax law. While the existing tax laws provide a basis for taxation, many improvements are needed. Key deficiencies in the tax laws have been identified and recommendations for improvement have been made to the MFE. Recently, MFE prepared a policy paper on amending the tax law. A great deal of thought and effort was put into this policy paper and it contains some good proposals, such as eliminating exemptions. However, MFE still needs a better understanding of the role of tax policy in the development of the economy and a better capacity to formulate tax policy.

Improvement in intergovernmental fiscal relations is essential for the development of local government public services and autonomy. Towards this end, the federal equalization formula needs refinement. In its current form, it creates perverse results in that the more a local government collects, the less it receives by way of equalization transfers. Because of recent changes to the tax law, local governments now receive 100% of land and property taxes, while tax sharing for the personal income tax was eliminated. A property tax based on an alternate and more rational valuation methodology is preferable to the current tax, which is based on cadaster values. MFE is interested in a more rational property tax but is unwilling to propose changes until it has the data to calculate the revenue effect of changes.

Once data is assembled and a plan developed, it is likely that MFE will endorse the legal changes necessary to give the local governments the authority to assess a rational property tax. The USAID Local Government Activity, in conjunction with the current fiscal Activity, is collecting the necessary data. The team to be mobilized and fielded under this Activity will propose a plan for reforming property tax and other improvements to intergovernmental fiscal relations. The USAID Local Government Activity will assist local governments in financial management and in transitioning to a more realistic property tax based on an alternate valuation methodology. Continued assistance to the USAID Local Government Activity in introducing these reforms is needed.

It has become clear that there is virtually no exchange of information between MFE and MSR, resulting in little understanding by MFE of the administrative issues involved in tax policy. Enhanced communication between these two ministries is another essential element for better tax policy and administration.

In addition to USAID, there are other advisors providing technical assistance to MFE. Since 1997, the US Treasury has provided an advisor who assisted primarily with budget formulation and the MTEF. A different US Treasury advisor provides technical assistance on domestic debt. The British Know-How

Fund is fielding a resident advisor who will also assist with the MTEF. An IMF resident advisor provides assistance with treasury functions.

B. Ministry of State Revenue (MSR)—Tax Administration

During the last two years, USAID has implemented a tax modernization plan that fundamentally alters MSR by reducing and combining tax offices, re-organizing MSR according to function (registration, declaration processing, audit, collection, appeals, legal), and computerizing tax administration. MSR is currently consolidating its tax offices from 45 to 18. By August 2000 there will be 8 offices in Yerevan and 10 regional tax offices. There will also be 23 satellite offices with limited functions (2 to 3 satellites for each regional office). The satellite offices will provide a point of service for taxpayer information, for filing declarations, and will also collect the land and property tax. This merging of offices will be accompanied by about a twenty-percent reduction in staff, based on testing that is currently being done. The change to automation and functional operations will minimize personal contacts between taxpayers and tax inspectors, enable prioritization of tasks, and greatly enhance efficiency and transparency. Further, simplified tax forms will enable greater automated data collection.

An integrated system of computerization of MSR is expected to be basically complete by early in calendar year 2001. This will streamline registration, declaration filing and payment processing. Software development has included modules for VAT, excise, profits tax, personal income tax, withholding tax, the simplified tax and the road tax. Implementation of the withholding tax module has slowed because of the tax office reorganization and may not be completed by early 2001. The automated audit selection module is complete and will be operational in the last half of 2000. A wide area network to connect all but the smaller satellite offices will be completed during the first half of 2001. Unfortunately, MSR still hangs on to its older software modules, and few of the employees are adequately trained in the new systems. Once automation and reorganization are completed, continued assistance will be needed to convert completely from the old computer system to the new software system.

Currently all Yerevan tax offices and two pilot offices (at Arabkir and Myasnikian), are well-developed in automation and are operating reasonably well on a functional basis. These two pilot offices have made progress in collections, with a 90% growth (year on year) in revenue since they became operational in September 1999, while revenue collections in other automated offices have improved by 35%. Improved collections result not only from automation, but also from better overall procedures, including prioritization of tasks. The central office of MSR has a central audit unit that functions as a large taxpayer unit and monitors the 260 largest taxpayers. This unit operates fairly well and collects 40 to 50 percent of the revenue.

Improved tax administration procedures will also assist in reducing the shadow economy. Legal persons, entrepreneurs and physical persons who are required to file an income tax declaration are required to register and apply for a taxpayer identification number (TIN). There are approximately 100,000 registered taxpayers with a TIN. Data assembled from the land and property database is being used to assign TINs to unregistered taxpayers and information available through automation will also increase the number of taxpayers that

are registered and assigned a TIN. However, much room for improvement remains as many individual entrepreneurs are still not registered.

An urgent need in tax administration is for preparation and dissemination of educational material explaining the tax laws. The Taxpayer Services Center, currently a for-profit joint stock company operating outside of MSR, publishes some material. However, there is a dearth of useful explanatory material. The need for information about tax laws and procedures that is available to both taxpayers and tax inspectors cannot be overstated. The Taxpayer Services Center needs encouragement and assistance in providing better information. Currently, Taxpayer Services Center is airing television advertisements to explain financial and tax reporting, the value-added and simplified tax, the customs code, taxpayer rights and duties, and tax violations.

In addition to plain language guides to tax law, there is a great need for interpretive guidance such as regulations and manuals. Although MSR drafts regulations, the regulations normally merely re-state the law. Further, no useful manuals exist to clarify procedures for tax inspectors.

Current audit and collection procedures do not result in a uniform application of the law. Rather, these procedures are inefficient and often create problems for taxpayers. Taxpayers may be audited often and by different groups. Further, the auditors often focus on minor bookkeeping errors rather than auditing for the purpose of uncovering non-compliance. While computerized audit selection will improve this situation, additional efforts will be needed in training tax inspectors to reduce arbitrariness in assessment and collection. Additionally, while the law provides for administrative and judicial appeals, these avenues are not viewed as viable by taxpayers. For example, the tax administration appeals function does not have the authority to reduce an assessment of tax or penalties.

An urgent and important need is the development of an internal audit department within the MSR to develop ethical standards and encourage and enforce integrity in the tax administration. It is anticipated that a US Treasury advisor working in the Republic of Georgia will assist in developing an internal audit department in Armenia's MSR. The new fiscal Activity will also support this effort. Along with this, compensation reform is needed. Currently tax inspectors have low salaries that are supplemented through an official bonus system and unauthorized payments. The timing is right for these reforms because re-organization along functional lines and automation will impose heightened transparency on the procedural process and contribute to a reduction in unauthorized payments to tax inspectors.

Since January 1999, enterprises have been allowed to keep one set of books based on International Accounting Standards (IAS) for tax purposes, and since January 2000, open joint-stock companies are required to use IAS. A reconciliation form for tax accounting has been developed. However, the tax inspectors still demand that taxpayers present books and records kept under the old system. Fiscal and accounting activities must continue to be coordinated to instruct tax inspectors on accounting principles (IAS and tax accounting) and to build a consensus that will force change in regard to proper accounting and record-keeping. Happily, there are recent instances of improved coordination and progress. For example, the Association of Armenian Accountants and Auditors (AAAA) has developed software for accounting that will

simplify accounting for small taxpayers and help them become tax compliant. In addition, the AAAA plans to develop a plain language guide for record keeping and tax compliance.

C. Ministry of State Revenue (MSR)--Customs Administration

The Department of Customs has been part of MSR since May of 1999. Since that time, however, very little effective integration has taken place between the Customs Department and the other MSR agencies. The level of information sharing between the functional offices is shockingly low.

For the fiscal system to be fully reformed, customs policies and procedures must also be strengthened and modernized. Armenia has begun to recognize the need to reform its customs organization and has strongly indicated a desire to improve the overall standardization of the customs process.

Armenia has decided to join the WTO and has instituted a process for accession including the recent passage, during the first half of 2000, of a new customs code. However, the customs code that finally passed the NA is not scheduled to go into effect until January 1, 2001 and will require many substantive changes to be brought into complete WTO compliance.

Currently, Customs in Armenia is made up of the central Customs Department, 4 Customs Houses (locations where cargo is actually cleared), and 11 Customs Points including some that are currently not opened. Over 80% of all cargo currently clears customs at either the Araratian Customs House or the Zvartnots Airport. Armenia has used an ASYCUDA automated customs clearance process for some time now but has not decentralized the clearance process outside of centralized customs houses to the borders. The ASYCUDA system in use in Armenia is the same as that in Georgia. Neither Georgia nor Armenia has attempted to harmonize the documentation so that a transit document issued in the country of entry but bound for a different destination could be used as the import document for the destination country.

Assistance under the current USAID-funded Tax and Fiscal Reform Project was provided to the MFE for the purpose of facilitating the development of a Customs Code compatible with WTO membership requirements. In addition, subsequent training in valuation, classification and country of origin determination was planned to assist in the implementation of WTO compliant procedures. However, all assistance related to Customs activities was effectively placed on hold in December 1998 due to the uneven progress towards achieving reform objectives.

Over the past year, USAID actively sought to encourage the participation of Customs officials in a WCO-like Customs Diagnostic Workshop, the outcomes from which could form the basis for a targeted package of technical assistance tailored to the priority needs of the Customs offices. The need for such a diagnostic process became more acute subsequent to the merger of the Tax Inspectorate and Customs Department with the MSR. During March 2000, USAID finally received a request from the MSR to conduct a Diagnostic Workshop with the requisite customs officials. The participation and commitment exhibited by the customs officials during the workshop were very positive. USAID is convinced that the new MSR is committed to structural reforms and assistance will positively impact the normal functioning of the customs operation and

enhance revenue collection and compliance as well as the image of the customs organization.

As part of any modernization program the underlying organizational structure must be adjusted to allow the fullest utilization and advantage to be taken of any equipment or other capital investment. Armenia's customs organization has a notorious reputation for being inefficient and corrupt. Tremendous progress has been achieved in the tax administration at reducing structural corruption by eliminating opportunities for tax inspectors to elicit payments for silence. Any assistance in customs must include an evaluation and recommendation of a functional reorganization of the customs department that will minimize corrupt opportunities. Before any modernization program is rolled out to all customs locations, a pilot must be established that will incorporate modern automated equipment, programs and management information systems and a new functional reorganization or other organization that structurally inhibits the ability of any individual to seek or elicit payments for favorable treatment by the MSR.

Support to customs payers and importers rights organizations with advice on how to be heard and how to best propose change in legislation that affects the group as a whole is also needed. Currently, the Union of Manufacturers of Armenia and the American Chamber of Commerce have both indicated interest in the area of compliance with Tax and Customs regulations. Occasionally, these groups lack the technical expertise to formulate reasonable, logical and constructive positions and to advocate tax and customs reform accordingly with legislators. Assistance is needed to strengthen the institutional capacity of these organizations to be effective advocates of transparent, fair and non-corrupt tax and customs practices. The MSR currently prints a Newsletter containing information about tax laws and articles believed to be of interest to the business community. Assistance with the expansion of the Tax Newsletter to include Customs-related information and improved overall timeliness of the Newsletter would be a useful initial step.

III. Objectives

The overall goal of this Activity is to assist the ROA to achieve macroeconomic stability in its transition to a market-based economy through a public finance system that is transparent and based on international market-oriented policies and procedures. This Activity will assist the policy makers to improve the fiscal system to encourage investment, accelerate economic growth and raise the living standards of the population. More specifically, this Activity will assist the ROA to enhance its capacity for fiscal analysis and financial management, and to improve its laws and procedures for tax and customs revenue collection, budget formulation and execution, and accounting and treasury systems.

This Activity will implement the second phase of fiscal reform in Armenia. While continuing to support reforms already undertaken and to build on progress made, the second phase envisions targeted assistance to the ROA in the following areas:

- A.** improvements in macroeconomic analysis and revenue forecasting, preparation of the MTEF and effective budget, public accounting and treasury functions;

- B. clarification of tax laws including preparation of official guidance on tax laws and record-keeping requirements;
- C. establishment of an efficient and professional tax administration;
and
- D. establishment of an efficient and professional customs administration.

Overall, these objectives will assist in sound and sustainable fiscal policy, fostering macroeconomic stability in Armenia. Beneficiaries of these objectives are the citizens of Armenia, who will receive the benefits to which they are entitled when resources are collected and disbursed fairly to provide needed public goods and services.

IV. Tasks

The period of performance for this Activity will extend from June 1, 2001 to May 31, 2004. The tasks listed below represent an outline of what needs to be done, and the Contractor will be expected to develop detailed work plans covering the specific activities in each area.

The contractor shall work with the national government, and with regional and local governments as needed, to carry out the tasks listed below. As noted earlier, training and capacity building are important goals of this Activity. Although these tasks are organized as technical assistance to the relevant counterparts, the contractor should also seek to build consensus and encourage ownership among counterparts, relevant stakeholders, and the public regarding needed reforms.

Task 1: Technical Assistance to MFE. The objective is an MFE with a strong capacity for (1) macroeconomic analysis and revenue forecasting, (2) preparing sound annual budgets incorporating rational program based budgeting and MTEF methods, (3) disciplined and transparent financial management, including budget formulation and execution, public accounting and treasury functions, and (4) developing improved intergovernmental relations. The contractor shall contribute to achievement of this objective by:

-- Assisting the MFE to improve its capacity for macroeconomic analysis, including revenue forecasting and monitoring, and to engage in informed discussion of the relevant issues with other actors concerned with the macroeconomy, such as the Central Bank of Armenia and the MSR;

-- Assisting the MFE to improve its capacity to prepare an annual MTEF report and to monitor and revise the report during the fiscal year;

-- Assisting the MFE to develop the capacity to formulate and execute realistic budgets based on program budgeting and expenditure control;

-- Assisting the MFE to develop the capacity to formulate sound tax policy that is in accord with international practice, including the identification of needed improvements to tax laws;

-- As feasible, working with MFE to facilitate codification of the tax laws into a Tax Code;

-- Assisting in improving intergovernmental fiscal relations through an improved equalization formula and devolution of authority to local governments for local finance (including improvements to property taxation); and

-- Assisting the MFE in furthering the development of its treasury system, to encourage better accounting, cash and debt management, information-sharing, transparency and efficiency.

Task 2: Technical Assistance to MSR, Tax Administration. The objective is a tax administration able to administer the tax laws in a fair, knowledgeable, law-based, efficient and professional manner. The contractor shall contribute to achievement of this objective by:

-- Assisting the MSR to further improve reorganization and automation;

-- Assisting the MSR with training to further develop and improve the capacity of heads of departments and staff to understand and administer the tax laws in a fair, efficient and professional way;

-- Assisting the MSR to develop educational material explaining tax laws, including record-keeping requirements;

-- Assisting MSR to improve ethical standards and integrity and eliminate corruption by working with the US Treasury advisor to develop an effective internal controls department within the MSR;

-- Assisting the MSR to develop regulations for the main taxes that will interpret the existing tax laws and assist both the tax inspectors and taxpayers in compliance;

-- Assisting the MSR to develop manuals governing tax procedures, especially audit and collection procedures;

-- Assisting the MSR appeals division to improve its procedures and capacity for settling disputes in an efficient and professional manner;

-- Assisting MSR to enhance its integrity and efficiency through compensation reform and career path development; and

-- As feasible, coordinating work with the Rule of Law judicial reform Activity to assist the judiciary to develop specialized expertise in tax law.

Task 3: Technical Assistance to MSR, Customs Administration. The objective is a MSR that is able to administer the customs laws using procedures that are law-based, effective and professional. The contractor shall contribute to achievement of this objective by:

-- Within the first 6 months of the activity, encouraging and facilitating the establishment of a Customs Inspector General (IG) or other internal control and accountability function within MSR. (This function should report directly to and have the mandate of the Minister of State Revenue.) This will

include assisting the new IG to develop a customs code of ethics, assisting with recurring training for customs' employees, and assisting with development of professional operating procedures for accepting and investigating complaints from the public, including procedures to prevent the IG itself from being abusive;

-- Within the first 6 months of the activity, taking an active and supporting role in establishing and participating on a Customs Advisory Steering Committee (CASC), a committee which should be supported by MSR and meeting on a regular and frequent basis. (The Contractor should begin these efforts immediately.) The Contractor should also seek to put in place a formal written agreement with the MSR, establishing and empowering the CASC;

-- Immediately beginning support to customs payers and importers rights organizations with recommendations on how to be heard and how to best propose change in legislation that effect the group as a whole;

-- Assisting the MSR to reorganize and modernize customs;

-- Assisting the MSR to develop the capacity to administer the customs law in a fair, efficient and professional way;

-- Assisting MSR to improve the Customs law and assist in drafting regulations and other guidance;

-- Assisting the MSR to develop internal manuals governing customs procedures;

-- Assisting the MSR to ensure the functionality of the automation system through possible expansion of ASYCUDA to all customs points;

-- Assisting the MSR to ensure compatibility and interoperability of Customs automation with the tax automation system of the MSR;

-- Assisting (intensively) MSR counterparts and private interest groups to achieve wide dissemination of accurate, complete and timely information, incorporating the input of groups representing importers, agents and brokers; and

-- Assisting in expanding the Taxpayer Services Center to develop explanatory guides for customs laws and procedures for public and internal dissemination.

V. Deliverables

A. During the first three months the Contractor shall:

1. Develop, based on Diagnostic Workshop results, (attached herein as an appendix to this Activity) a prioritized work plan for intermediate-term improvements in Customs administration;

2. Design and begin implementation of a training program for customs to implement management and organizational improvements, including quality

improvements and specific technical training in enforcement, valuation, classification and origin;

3. Review and comment on WTO-required Customs legislation that has been passed but may require further amendments to be WTO compliant and recommend additional customs-related legislation that may be required for WTO compliance.

4. Begin drafting amendments and any additional necessary customs legislation. (This effort will extend throughout the life of the project.); and

5. Evaluate and recommend a plan for implementation of automation and functional reorganization of customs within the MSR.

B. During the first six months the contractor shall:

1. Present a strategy to enable USAID to progressively phase out its technical assistance to Armenia in fiscal reform at the end of this three-year Activity, enumerating proficiencies expected by counterparts and a strategy for achieving them;

2. Present a plan to MFE for improving its capacity for analyzing statistics and formulating good fiscal policy, and in particular for improving its revenue forecasting capacity;

3. Present an integrated package of priority reforms to MSR, developed in conjunction with counterparts and the private sector, with accompanying appropriate strategy for reform and preparation of proposed amendments to existing and proposed laws to promote private sector development and accelerated economic growth;

4. Present a plan for an integrated computerized system of tax and customs collections and for compatibility with budget and treasury systems, and identify needed improvements to the automation of budget and treasury functions;

5. If MSR commits to updating a web-site, assist in developing a web-site that provides information on tax and customs laws and procedures;

6. Prepare a detailed plan, after evaluation, on the redesign of the Customs import process and documentation requirements including the inter-relationships of other agencies and ministries. (This Activity will likely require the amendment of certain laws and regulations pertaining to customs operations and should be focused on policy reform. The Activity will require ongoing review, evaluation and updating of recommendations throughout this activity as implementation proceeds. This should include a full review of the suggestions made during the Diagnostic including an assessment of moving customs clearance and ASYCUDA to the border points in a pilot demonstration and rationalized cargo examination selectivity criterion.);

7. Complete implementation of the pilot automation and functional organization. (Note that regardless of the recommended structure of Customs Houses and Border Points agreed to with the Government of Armenia, the central

offices will remain. Therefore, the central offices and one or two other points should be chosen for the pilot.); and

8. Prepare an implementation plan for the remaining offices of customs to be modernized and reorganized based on lessons learned from the pilot phase of the project by 3rd quarter 2001 and begin country wide roll-out with a completion date of 2nd - 4th quarter of 2002.

VI. Results

The expected results for the first, second and third year of the activity are listed below and are notional. The expected results recommended in the Contractor's proposal may vary from those set forth in this section. The Contractor should feel free in its proposal to be flexible and to present innovative approaches or to vary the expected results and/or timeframes discussed below. However, explanations must be provided as to how the Contractor's proposal enhances its ability to achieve the overarching goal of the activity. The Contractor must utilize its experience and expertise in providing recommendations based on the existing facts and circumstances.

A. Expected results in the first year:

Task 1: Ministry of Finance and Economy

- MFE improves capacity for macroeconomic modeling and revenue forecasting, monitors revenue forecasts on a monthly basis, and revises forecasts as needed;
- MTEF report is improved and comprehensive, includes off-budget government obligations, and is monitored throughout the year;
- Budget formulation and execution are increasingly improved and implemented to control expenditures;
- Line ministries submit budget requests with justifications;
- Treasury system improves its capacity for cash accounting;
- MFE begins publication of its own quarterly Economic Bulletin;
- Training program for heads of departments and staff in macroeconomics, fiscal policies and revenue forecasting is implemented;
- Tax laws are improved to more closely comport with sound tax policy and international standards;
- Regulations governing implementing of the four main taxes are drafted (personal income tax, enterprise profits tax, VAT and excise);
- Formula for equalization transfers is improved to eliminate disincentives for collection;
- Proposal for unified property tax and alternate valuation methodology is submitted to MFE; and

- Lines of communication and procedures are established between MFE and MSR to facilitate information-sharing and communication on issues involving tax and customs policy and administration.

Task 2: Ministry of State Revenue–Tax Administration

- MSR produces an annual strategic and training plan (within first 6 months of activity);
- MSR completes wide area network and software for withholding tax (within first 6 months of activity);
- Computerization enhancements of the MSR's information system are identified and initiated with managers and employees trained in use of computers, including the capacity to prepare managerial reports using the new automation;
- Functional reorganization of MSR is effective, with all employees re-trained to perform according to function and able to understand and explain their new responsibilities;
- Computerized system is expanded to customs and is compatible with budget and treasury systems;
- Tax inspectors are instructed in IAS and reconciliation for tax accounting;
- Audits are more effective by focussing on uncovering large-scale non-compliant taxpayers and understated tax liabilities rather than less useful audits focussing on record-keeping and administrative violations;
- Internal control department is established and procedural manual and code of ethics is written;
- A significantly larger share of the informal economy is captured in the tax system through increased registration and more efficient audit and collection procedures;
- In conjunction with MFE, regulations governing the four main taxes are drafted (personal income tax, enterprise profits tax, VAT and excise);
- Taxpayer Services Center provides a plain language guide to taxes and other useful educational material for both tax inspectors for taxpayers; and
- MFE, MSR, and the banking system establish a system for sharing information on tax payments for greater efficiency, accuracy and elimination of manual procedures.

Task 3: Ministry of State Revenue–Customs Administration

- Customs administration is reorganized into a more functional structure supported by appropriate hardware, software, operating procedures and manuals;
- Customs officers are trained in enforcement, valuation, classification and origin, and MSR establishes annual and recurrent training plan (including a training of trainers component);
- Customs payers and importers rights organizations are active in proposing improved legislation;
- Taxpayer Education Center prepares improved customs compliance education materials;
- A defined set of explanatory materials is produced for dissemination through dedicated customs service personnel at customs points, customs houses and the central office and
- The Tax Newsletter is expanded to incorporate Customs information and statistics and to improve the overall timeliness of the Newsletter, improving its value and significance.

B. Expected results in the second year:

Task 1: Ministry of Finance and Economy

- MFE macroeconomic modeling has visibility and respect, and policymakers increasingly use the information generated;
- Revenue forecasting capacity is developed to provide sound forecasts without heavily depending on foreign technical assistance;
- MFE develops MTEF without heavily depending on foreign technical assistance;
- Budget formulation and execution is increasingly transparent and improved;
- Line ministries submit budget requests demonstrating significantly improved capacity for formulation and justification;
- Economic Bulletin first published during year 1, contains reliable information on important issues of interest to policy makers, is utilized by policy makers and made available to the public;
- Training is on-going, with heads of departments able to train staff;
- Tax laws are improved to be more in line with international practice in tax policy and government policy to promote private sector development, particularly small and medium business development;
- Equalization transfers to regions are transparent and are based on objective, rational and fair criteria;

- An alternate property tax is enacted with valuation based on rational, fair and simple methodology; and
- Communication between MFE and MSR is significantly improved.

Task 2: Ministry of State Revenue–Tax Administration

- All tax offices operate on automated and functional basis with on-going training pursuant to annual plans and preparation of sound management reports;
- A significant increase in tax revenues so that they meet IMF targets and are sufficient to enable the central and local governments to provide the general population with salary, pensions and other vital services;
- Estimates of the shadow economy reduced by 30 percent;
- Audits are increasingly efficient and are focussed on large-scale non-compliant taxpayers;
- Tax inspectors understand IAS and tax accounting and allow enterprises to keep books and records based on IAS;
- MSR (appeals function in particular) has authority to write-off bad tax debts and to compromise tax liabilities based on written standards for compromises;
- Compensation reform and career path positions are implemented;
- Internal control department is operational and able to implement basic Western-style internal control functions with written policies and oversight;
- Informational material is available to all taxpayers;
- MRS has procedural manuals for all functions, especially audit and collection; and
- Judicial decisions on tax cases are disseminated to the public, particularly tax cases involving punishment of tax evaders.

Task 3: Ministry of State Revenue–Customs Administration

- Significant increase in customs revenue and VAT resulting from improved customs procedures and information sharing;
- Ability to monitor and statistically analyze customs transactions of natural persons and legal entities at both customs points/houses;
- Payment documentation at the customs points/houses is consolidated to a single form;
- Ability to monitor frequency of allowances and exemptions used by natural/physical persons;

- Ability to reference a running average of valuation of goods by classification code for reference purposes for guiding customs officials with valuation;
- Calculation of customs fees, environmental, and transportation payments, customs duties, VAT, and Excise TAX is automated;
- MSR uses a management information system which is real time updated and provides statistical analysis, reports and trend analysis of all customs transactions and activities;
- Ability to monitor the training and experience of employees and officials within MSR; and
- Customs Newspaper is self-sustaining and improved.

C. Expected results in the third year:

Task 1: Ministry of Finance and Economy (MFE)

- MFE has the capacity to independently perform sound macroeconomic modeling and fiscal analysis, including sound revenue forecasts, and to effectively advise policy makers on fiscal policies and budgetary management practices;
- MTEF report is prepared without heavy involvement of foreign advisors, is sound and reliable and is monitored throughout the year;
- All off-budget government liabilities are brought under control of MFE;
- Treasury performs transparent and effective financial management;
- MFE and line ministries exhibit competence in budget formulation and execution;
- Tax law comports with international policy and practice and facilitates market-based economic growth and investment;
- Federal formula is refined and improved to facilitate rational intergovernmental fiscal relations;
- Functioning and rational property tax provides adequate revenue for local governments; and
- MFE and MSR communicate effectively on fiscal policy and administration, with concrete improvements to tax administration.

Task 2: Ministry of State Revenue (MSR)—Tax Administration

- Revenue collections as percentage of GDP are significantly increased and shadow economy is significantly reduced;

- MSR operates on a functional basis, and formulates meaningful management reports, annual strategic objectives and training plans;
- Heads of division are trained in management and MSR training center routinely provides training for staff according to training plans;
- Cost of collection as percentage of tax collected is reduced and cost of compliance for taxpayers is significantly reduced;
- Compensation reform is completed and career path positions established with corresponding measurable improvement in integrity of tax inspectors;
- Internal control department has implemented formal advanced procedures for maintaining integrity within MSR, resulting in prosecution/disciplining of tax inspectors committing violations;
- Audit and collection procedures are prioritized to focus on non-compliant taxpayers and large tax liabilities and are based on legal liability for tax rather than on collecting targeted amounts;
- Penalties are imposed for true non-compliance rather than arbitrarily or for minor record-keeping offenses;
- Taxpayers and tax inspectors have good understanding of IAS, tax laws and procedures based on manuals, regulations and other official guidance;
- Taxpayer Services Center provides plain language guidance for taxpayers;
- Tax law and administration provide realistic and proper balance between rights and duties of taxpayers and rights and duties of tax administration;
- Improved public confidence in tax administration and judicial decisions supporting enforcement of tax laws contributes to increased voluntary tax compliance;
- Administrative appeals function provides fair, realistic and viable mechanism for resolving disputes; and
- Effective communication is established between MFE and MSR.

Task 3: Ministry of State Revenue (MSR)—Customs Administration

- MSR is reorganized, automated, and modernized with capacity to administer customs law in a fair, efficient and professional manner;
- Customs legislation is improved with regulations and internal procedural manuals drafted;
- MSR prepares and implements annual strategic and training plans;
- CASC is functional and effective;

- Taxpayer Service Center prepares and disseminates useful explanatory customs guides;
- Customs IG office is fully operational; and
- Customs payers and importers rights organizations have developed capacity to effectively lobby for needed legislative changes.

VII. Counterpart Concurrence/Clearances

The counterparts for this Activity will be MFE, MSR and local governments (in conjunction with the USAID Local Government Activity). The Contractor will coordinate directly with USAID/Armenia and the Armenian counterpart entities on administrative, management and technical issues.

The Contractor shall report directly to the Cognizant Technical Officer (CTO), USAID/Armenia who: a) provides technical oversight for fiscal reform, b) reviews programs with key country officials, and c) serves as Coordinator with other donors, government agencies and private organizations. All technical interpretations and re-directions are the responsibility of the CTO as the representative of USAID.

For resident advisors, prior country clearance by the U.S. Embassy/Armenia is required. Subsequent arrival and departure in connection with routine business will only required approval of the CTO. All short-term consultants travel to Armenia will require prior country clearance as indicated above. In-country travel is authorized in conjunction with work requirements approved by the CTO and applicable laws and regulations of Armenia.

Resident advisors are required to brief the CTO at regular intervals or upon request, and short term advisors are required to brief the USAID Project Office on all in-country trips.

The Contractor shall obtain the prior approval of the CTO, USAID/Armenia, if personnel assigned to this Activity plan to work on other projects or activities in the NIS or another country at any time during this Activity.

VIII. Reporting Requirements

The following reports are required under this Activity:

A. Submitted with the proposal: The specific and measurable yearly indicators set forth in the contractor's proposed semi-annual milestone plan shall form the basis for a three-year work plan that shall be used to evaluate the contractors performance.

B. Within 30 days from the beginning of the contract, the Contractor shall submit to USAID/Armenia, for review and approval, an initial work plan which provides a detailed set of actions to be taken to fulfill the tasks enumerated under Section IV: Tasks/Work Requirements; and achieve the deliverables and results described in Sections V: Deliverables and VI: Tangible Results/Benchmarks. Such work plan shall be prepared by quarter for the first year, and semi-annually for the second and third years. The work plan will be prepared in collaboration with the counterparts and submitted to

the CTO for approval. The contractor's performance shall be evaluated against the achievement of these yearly indicators as set forth in the work plan incorporated into the Activity.

C. The Contractor shall submit concise monthly status reports within five days following the end of the month, assessing accomplishments and bottlenecks, and discussing any necessary alterations to the work plan and initial time table.

D. The Contractor shall submit semi-annual reports highlighting progress to date, obstacles to implementation, advance notice of any likely schedule changes, necessary modifications to the work plan, budget status, and upcoming activities. These reports are due within ten days of the end of each semester. The semi-annual report will be used by the CTO to assess performance over the previous semester and as a work plan for the upcoming semester. The semi-annual report will allow for flexibility in determining future Activity needs, changes in the work plan, and for responding to changes in the political environment and other outside factors.

E. Not less than 15 days prior to the end of year I and II, the Contractor shall submit an annual performance report describing progress measured against work plans, objectives, tasks, and tangible results/benchmarks as specified in this Activity.

F. At the end of the Activity, the Contractor shall provide a completion report which highlights accomplishments against work plans, gives the final status of Benchmarks and Tangible Results, addresses lessons learned during implementation and suggests ways to resolve constraints identified. The report may provide recommendations for follow-on work that might complement the completed Activity.

[END OF SECTION C]

Section D

SECTION D - PACKAGING AND MARKING

D.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (JUN 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

I. AID ACQUISITION REGULATION (48 CFR CHAPTER 7) CLAUSES

NUMBER	TITLE	DATE
752.7009	MARKING	JAN 1993

[End of Clause]

[END OF SECTION D]

Section E

SECTION E - INSPECTION AND ACCEPTANCE

E.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

NUMBER	TITLE	DATE
52.246-1	CONTRACTOR INSPECTION REQUIREMENTS	APR 1984
52.246-5	INSPECTION OF SERVICES - COST-REIMBURSEMENT	APR 1984
52.246-15	CERTIFICATE OF CONFORMANCE	APR 1984

[End of Clause]

E.2 INSPECTION AND ACCEPTANCE

USAID inspection and acceptance of services, reports and other required deliverables or outputs shall take place at:

EREO/USAID/Armenia
18 Marshall Baghramian Ave.
Yerevan 375019, Armenia

or at any other location where the services are performed and reports and deliverables or outputs are produced or submitted. The COTR listed in Section G has been delegated authority to inspect and accept all services, reports and required deliverables or outputs.

[End of Clause]

E.3 MONITORING AND EVALUATION PLAN

See Section C.VIII Reporting Requirements of the SOW.

[End of Clause]

[END OF SECTION E]

Section F

SECTION F - DELIVERIES OR PERFORMANCE

F.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

NUMBER	TITLE	DATE
52.242-15	STOP-WORK ORDER Alternate I (APR 1984)	AUG 1989

[End of Clause]

F.2 DELIVERY SCHEDULE

See section C.V of the SOW.

F.3 PERIOD OF PERFORMANCE

The period of performance for this contract is 05/01/2001 through 04/30/2004.

[End of Clause]

[END OF SECTION F]

Section G

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (JUN 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es).

<http://www.arnet.gov/far>
www.usaid.gov

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES
 AND AID ACQUISITION REGULATION (48 CFR CHAPTER 7) CLAUSES

NUMBER	TITLE	DATE
752.7003	DOCUMENTATION FOR PAYMENT	APR 1984

[End of Clause]

G.2 ADMINISTRATIVE CONTRACTING OFFICE

The Administrative Contracting Office is:

Regional Contracting Office
 USAID/Caucasus
 20 Telavi Street
 Tbilisi 380003, Georgia

[End of Clause]

G.3 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)

The Contracting Officer's Technical Representative is Michael Wyzan or his or her designee at:

EREO/USAID/Armenia
 18 Marshal Baghramian Ave.
 Yerevan 375019, Armenia
 Fax: (3741) 151-131
 Telephone: (3741) 151-955

[End of Clause]

G.4 TECHNICAL DIRECTIONS/RELATIONSHIP WITH USAID

(a) Technical Directions is defined to include:

- (1) Written directions to the Contractor which fill in details, suggest possible lines of inquiry, or otherwise facilitate completion of work;
- (2) Provision of written information to the Contractor which assists in the interpretation of drawings, specifications, or technical portions of the work statement;
- (3) Review and, where required, provide written approval of technical reports, drawings, specifications, or technical information to be delivered.

Technical directions must be in writing, and must be within the scope of the work as detailed in Section C.

(b) The COTR is authorized by designation to take any or all action with respect to the following which could lawfully be taken by the Contracting Officer, except any action specifically prohibited by the terms of this Contract:

- (1) Assure that the Contractor performs the technical requirements of the contract in accordance with the contract terms, conditions, and specifications.
- (2) Perform or cause to be performed, inspections necessary in connection with a) above and require the Contractor to correct all deficiencies; perform acceptance for the Government.
- (3) Maintain all liaison and direct communications with the Contractor. Written communications with the Contractor and documents shall be signed as "Contracting Officer's Technical Representative" with a copy furnished to the Contracting Officer.
- (4) Issue written interpretations of technical requirements of Government drawings, designs, and specifications.
- (5) Monitor the Contractor's production or performance progress and notify the Contractor in writing of deficiencies observed during surveillance, and direct appropriate action to effect correction. Record and report to the Contracting Officer incidents of faulty or nonconforming work, delays or problems.
- (6) Obtain necessary security clearance and appropriate identification if access to Government facilities is required. If to be provided, ensure that Government furnished property is available when required.

LIMITATIONS: The COTR is not empowered to award, agree to, or sign any contract (including delivery or purchase orders) or modifications thereto, or in any way to obligate the

payment of money by the Government. The COTR may not take any action which may impact on the contract schedule, funds, scope or rate of utilization of LOE. All contractual agreements, commitments, or modifications which involve prices, quantities, quality, schedules shall be made only by the Contracting Officer.

- (c) In the absence of the designated COTR, the COTR may designate someone to serve as COTR in their place. However, such action to direct an individual to act in the COTR's stead shall immediately be communicated to the Contractor and the Contracting Officer.
- (d) Contractual Problems - Contractual problems, of any nature, that may arise during the life of the contract must be handled in conformance with specific public laws and regulations (i.e. Federal Acquisition Regulation and Agency for International Development Acquisition Regulation). The Contractor and the COTR shall bring all contracting problems to the immediate attention of the Contracting Officer. Only the Contracting Officer is authorized to formally resolve such problems. The Contracting Officer will be responsible for resolving legal issues, determining contract scope and interpreting contract terms and conditions. The Contracting Officer is the sole authority authorized to approve changes in any of the requirements under this contract. Notwithstanding any clause contained elsewhere in this contract, the said authority remains solely with the Contracting Officer. These changes include, but will not be limited to the following areas: scope of work, price, quantity, technical specifications, delivery schedules, and contract terms and conditions. In the event the Contractor effects any changes at the direction of any other person other than the Contracting Officer, the change will be considered to have been made without authority.
- (e) Failure by the Contractor to report to the Administrative Contracting Office, any action by the Government considered to a change, within the specified number of days contained in FAR 52.243-7 (Notification of Changes), waives the Contractor's right to any claims for equitable adjustments.

[End of Clause]

G.5 752.242-70 PERIODIC PROGRESS REPORTS (JUL 1998)

- (a) The contractor shall prepare and submit progress reports as specified in the Schedule of this contract. These reports are separate from the interim and final performance evaluation reports prepared by USAID in accordance with (48 CFR) FAR 42.15 and internal Agency procedures, but they may be used by USAID personnel or their authorized representatives when evaluating the contractor's performance.

- (b) During any delay in furnishing a progress report required under this contract, the contracting officer may withhold from payment an amount not to exceed US \$25,000 (or local currency equivalent) or 5 percent of the amount of this contract, whichever is less, until such time as the contracting officer determines that the delay no longer has a detrimental effect on the Government's ability to monitor the contractor's progress.

G.6 REPORTS AND DELIVERABLES OR OUTPUTS

In addition to the requirements set forth for submission of reports in Sections I and J and in the AIDAR clause 752.7026, Reports, the Contractor shall submit the deliverables or outputs specified in Section C.V. of the SOW to the COTR specified in Section G.

[End of Clause]

G.7 PAYING OFFICE

The paying office for this contract is:

OFM/USAID/Armenia
18 Marshall Baghramian Ave.
Yerevan 375019, Armenia

[End of Clause]

G.8 ACCOUNTING AND APPROPRIATION DATA

G.9 COMPLIANCE WITH VETERANS EMPLOYMENT REPORTING REQUIREMENTS

- (a) The Offeror represents that, if it is subject to the reporting requirements of 38 U.S.C. 4212(d) (i.e. the VETS-100 report required by the Federal Acquisition Regulation clause 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era), it has ☐ has not ☐ submitted the most recent report required by 38 U.S.C. 4212(d).
- (b) An Offeror who checks "has not" may not be awarded a contract until the required reports are filed. (31 U.S.C. 1354)

[END OF SECTION G]

Section H

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 AIDAR 752.7032 INTERNATIONAL TRAVEL APPROVAL AND NOTIFICATION REQUIREMENTS AND AIDAR 752.7027 PERSONNEL

In accordance with the above clauses, the Contracting Officer hereby provides prior written approval for international travel, provided that concurrence with the assignment of individuals outside the United States is obtained by the Contractor, in writing, from the COTR prior to their assignment abroad, which must be within the terms of this contract, is subject to availability of funds, and should not be construed as authorization either to increase the estimated cost or to exceed the obligated amount (see Section B). The Contractor shall retain for audit purposes a copy of each travel concurrence.

[End of Clause]

H.2 AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services under this contract is 000 & 110.

[End of Clause]

H.3 LOGISTIC SUPPORT

The Contractor shall be responsible for furnishing all logistic support in the United States and overseas.

[End of Clause]

H.4 SUBCONTRACTING PLAN AND THE SF 294 - SUBCONTRACTING REPORT FOR INDIVIDUAL CONTRACTS AND SF 295 - SUMMARY CONTRACTING REPORT

The Contractor's subcontracting plan dated _____ is hereby incorporated as a material part of this contract.

In accordance with FAR 52.219-9, SF 294 and SF 295 should be forwarded to the following address:

U.S. Agency for International Development
Office of Small and Disadvantaged Business
Utilization
RRB 7.08-110
1300 Pennsylvania Avenue NW
Washington, D.C. 20523

[END OF SECTION H]

Section I

PART II - CONTRACT CLAUSES

SECTION I - CONTRACT CLAUSES

I.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

NUMBER	TITLE	DATE
52.202-1	DEFINITIONS	OCT 1995
52.203-3	GRATUITIES	APR 1984
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	JUL 1995
52.203-7	ANTI-KICKBACK PROCEDURES	JUL 1995
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1996
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	JUN 1997
52.204-4	PRINTING/COPYING DOUBLE-SIDED ON RECYCLED PAPER	JUN 1996
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	JUL 1995
52.215-2	AUDIT AND RECORDS--NEGOTIATION	AUG 1996
52.215-8	ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT	OCT 1997
52.216-7	ALLOWABLE COST AND PAYMENT	APR 1998
52.216-8	FIXED FEE	MAR 1997
52.217-2	CANCELLATION UNDER MULTIYEAR CONTRACTS	OCT 1997
52.222-26	EQUAL OPPORTUNITY	APR 1984
52.222-28	EQUAL OPPORTUNITY PREAWARD CLEARANCE OF SUBCONTRACTS	APR 1984
52.222-29	NOTIFICATION OF VISA DENIAL	APR 1984

I.1 (Continued)

NUMBER	TITLE	DATE
52.222-35	AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA	APR 1998
52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	JUN 1998
52.222-37	EMPLOYMENT REPORTS ON DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA	APR 1998
52.225-11	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	AUG 1998
52.228-7	INSURANCE - LIABILITY TO THIRD PERSONS	MAR 1996
52.232-17	INTEREST	JUN 1996
52.232-22	LIMITATION OF FUNDS	APR 1984
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
52.232-25	PROMPT PAYMENT	JUN 1997
52.232-33	MANDATORY INFORMATION FOR ELECTRONIC FUNDS TRANSFER PAYMENT	AUG 1996
52.233-1	DISPUTES	OCT 1995
52.233-3	PROTEST AFTER AWARD Alternate I (JUN 1985)	AUG 1996
52.242-1	NOTICE OF INTENT TO DISALLOW COSTS	APR 1984
52.242-3	PENALTIES FOR UNALLOWABLE COSTS	OCT 1995
52.242-13	BANKRUPTCY	JUL 1995
52.243-2	CHANGES - COST-REIMBURSEMENT Alternate I (APR 1984)	AUG 1987
52.244-2	SUBCONTRACTS Alternate II (AUG 1998)	AUG 1998
52.244-5	COMPETITION IN SUBCONTRACTING	DEC 1996
52.245-5	GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME-AND-MATERIAL, OR LABOR-HOUR CONTRACTS)	JAN 1986
52.249-6	TERMINATION (COST-REIMBURSEMENT)	SEP 1996
52.249-14	EXCUSABLE DELAYS	APR 1984
52.253-1	COMPUTER GENERATED FORMS	JAN 1991

I. AID ACQUISITION REGULATION (48 CFR CHAPTER 7) CLAUSES

NUMBER	TITLE	DATE
752.202-1	USAID DEFINITIONS CLAUSE-- SUPPLEMENT FOR USAID CONTRACTS INVOLVING PERFORMANCE OVERSEAS Alternate 72	DEC 1986
752.211-70	LANGUAGE AND MEASUREMENT	JUN 1992
752.225-70	SOURCE, ORIGIN, AND NATIONALITY	FEB 1997

I.1 (Continued)

NUMBER	TITLE	DATE
	REQUIREMENTS	
752.225-71	LOCAL PROCUREMENT	FEB 1997
752.228-3	WORKER'S COMPENSATION INSURANCE (DEFENSE BASE ACT)	
752.228-7	INSURANCE--LIABILITY TO THIRD PERSONS	
752.228-70	MEDICAL EVACUATION (MEDEVAC) SERVICES	MAR 1993
752.7001	BIOGRAPHICAL DATA	JUL 1997
752.7002	TRAVEL AND TRANSPORTATION	JAN 1990
752.7004	EMERGENCY LOCATOR INFORMATION	JUL 1997
752.7006	NOTICES	APR 1984
752.7007	PERSONNEL COMPENSATION	JUL 1996
752.7008	USE OF GOVERNMENT FACILITIES OR PERSONNEL	APR 1984
752.7010	CONVERSION OF U.S. DOLLARS TO LOCAL CURRENCY	APR 1984
752.7011	ORIENTATION AND LANGUAGE TRAINING	APR 1984
752.7013	CONTRACTOR-MISSION RELATIONSHIPS	OCT 1989
752.7014	NOTICE OF CHANGES IN TRAVEL REGULATIONS	JAN 1990
752.7015	USE OF POUCH FACILITIES	JUL 1997
752.7018	HEALTH AND ACCIDENT COVERAGE FOR USAID PARTICIPANT TRAINEES	OCT 1989
752.7019	PARTICIPANT TRAINING	JUL 1996
752.7023	REQUIRED VISA FORM FOR USAID PARTICIPANTS	APR 1984
752.7025	APPROVALS	APR 1984
752.7027	PERSONNEL	DEC 1990
752.7028	DIFFERENTIALS AND ALLOWANCES	JUL 1996
752.7029	POST PRIVILEGES	JUL 1993
752.7031	LEAVE AND HOLIDAYS	OCT 1989
752.7032	INTERNATIONAL TRAVEL APPROVAL AND NOTIFICATION REQUIREMENTS	JAN 1990
752.7033	PHYSICAL FITNESS	JUL 1997

[End of Clause]

I.2 52.203-8 CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR
ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)

- (a) If the Government receives information that a contractor or a person has engaged in conduct constituting a violation of subsection (a), (b), (c), or (d) of Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) (the Act), as amended by section 4304 of the 1996 National Defense Authorization Act for Fiscal Year 1996 (Pub. L. 104-106), the Government may--

- (1) Cancel the solicitation, if the contract has not yet been awarded or issued; or
- (2) Rescind the contract with respect to which--
 - (i) The Contractor or someone acting for the Contractor has been convicted for an offense where the conduct constitutes a violation of subsection 27 (a) or (b) of the Act for the purpose of either--
 - (A) Exchanging the information covered by such subsections for anything of value; or
 - (B) Obtaining or giving anyone a competitive advantage in the award of a Federal agency procurement contract; or
 - (ii) The head of the contracting activity has determined, based upon a preponderance of the evidence, that the Contractor or someone acting for the Contractor has engaged in conduct constituting an offense punishable under subsections 27(e)(1) of the Act.
- (c) If the Government rescinds the contract under paragraph (a) of this clause, the Government is entitled to recover, in addition to any penalty prescribed by law, the amount expended under the contract.
- (d) The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law, regulation, or under this contract.

I.3 52.204-1 APPROVAL OF CONTRACT (DEC 1989)

This contract is subject to the written approval of Carlton M. Bennett or a duly authorized representative, and shall not be binding until so approved.

[End of Clause]

I.4 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997)

- (a) The Contractor shall make the following notifications in writing:
 - (1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Administrative Contracting Officer (ACO) within 30 days.

- (2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.

(b) The Contractor shall--

- (1) Maintain current, accurate, and complete inventory records of assets and their costs;
- (2) Provide the ACO or designated representative ready access to the records upon request;
- (3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and
- (4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.

- (c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

I.5 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 1989)

- (a) The Government may extend the term of this contract by written notice to the Contractor within 60 days; provided, that the Government shall give the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.
- (b) If the Government exercises this option, the extended contract shall be considered to include this option provision.
- (c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 5 years.

[End of Clause]

I.6 INCENTIVE SUBCONTRACTING PROGRAM FOR SMALL AND SMALL DISADVANTAGED BUSINESS CONCERNS

In accordance with FAR 52.219-10, Incentive Subcontracting Program for Small and Small Disadvantaged Business Concerns, the following terms apply:

If the Contractor exceeds its subcontracting goals, it will

receive _ percent of the dollars in excess of each goal.

I.7 52.219-23 NOTICE OF PRICE EVALUATION ADJUSTMENT FOR
SMALL DISADVANTAGED BUSINESS CONCERNS (OCT 1998)
ALTERNATE II (OCT 1998)

(a) Definitions. As used in this clause--

"Small disadvantaged business concern" means an offeror that represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either--

(1) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and

(i) No material change in disadvantaged ownership and control has occurred since its certification;

(ii) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(iii) It is listed, on the date of its representation, on the register of small disadvantaged business concerns maintained by the Small Business Administration;

(2) It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted. In this case, in order to receive the benefit of a price evaluation adjustment, an offeror must receive certification as a small disadvantaged business concern by the Small Business Administration prior to contract award; or

(3) Is a joint venture as defined in 13 CFR 124.1002(f).

"Historically black college or university" means an institution determined by the Secretary of Education to meet the requirements of 34 CFR 608.2. For the Department of Defense (DoD), the National Aeronautics and Space Administration (NASA), and the Coast Guard, the term also includes any nonprofit research institution that was an integral part of such a college or university before November 14, 1986.

"Minority institution" means an institution of higher education meeting the requirements of Section 1046(3) of the Higher Education Act of 1965 (20 U.S.C. 1135d-5(3)) which, for purposes of this clause, includes a Hispanic-serving institution of higher education as defined in Section 316(b)(1) of the Act (20 U.S.C. 1059c(b)(1)).

"United States" means the United States, its territories and possessions, the Commonwealth of Puerto Rico, the U.S. Trust Territory of the Pacific Islands, and the District of Columbia.

(b) Evaluation adjustment.

(1) Offers will be evaluated by adding a factor of percent to the price of all offers, except--

- (i) Offers from small disadvantaged business concerns that have not waived the adjustment;
- (ii) For DOD, NASA, and Coast Guard acquisitions, otherwise successful offers from historically black colleges or universities or minority institutions;
- (iii) Otherwise successful offers of eligible products under the Trade Agreements Act when the dollar threshold for application of the Act is equaled or exceeded (see section 25.402 of the Federal Acquisition Regulation (FAR));
- (iv) Otherwise successful offers where application of the factor would be inconsistent with a Memorandum of Understanding or other international agreement with a foreign government; and
- (v) For DOD acquisitions, otherwise successful offers of qualifying country end products (see sections 225.000-70 and 252.225-7001 of the Defense FAR Supplement).

(2) The factor shall be applied on a line item basis or to any group of items on which award may be made. Other evaluation factors described in the solicitation shall be applied before application of the factor. The factor may not be applied if using the adjustment would cause the contract award to be made at a price that exceeds the fair market price by more than the factor in paragraph (b)(1) of this clause.

(c) Waiver of evaluation adjustment. A small disadvantaged business concern may elect to waive the adjustment, in which case the factor will be added to its offer for evaluation

purposes. The agreements in paragraph (d) of this clause do not apply to offers that waive the adjustment.

_____ Offeror elects to waive the adjustment.

(d) Agreements.

(1) A small disadvantaged business concern, that did not waive the adjustment, agrees that in performance of the contract, in the case of a contract for--

(i) Services, except construction, at least 50 percent of the cost of personnel for contract performance will be spent for employees of the concern;

(ii) Supplies (other than procurement from a nonmanufacturer of such supplies), at least 50 percent of the cost of manufacturing, excluding the cost of materials, will be performed by the concern;

(iii) General construction, at least 15 percent of the cost of the contract, excluding the cost of materials, will be performed by employees of the concern; or

(iv) Construction by special trade contractors, at least 25 percent of the cost of the contract, excluding the cost of materials, will be performed by employees of the concern.

(2) A small disadvantaged business concern submitting an offer in its own name agrees to furnish in performing this contract only end items manufactured or produced by small disadvantaged business concerns in the United States. This paragraph does not apply in connection with construction or service contracts.

I.8 52.222-35 AFFIRMATIVE ACTION FOR DISABLED VETERANS
AND VETERANS OF THE VIETNAM ERA (APR 1998)

(a) Definitions. As used in this clause--

"All employment openings" includes all positions except executive and top management, those positions that will be filled from within the contractor's organization, and positions lasting 3 days or less. This term includes full-time employment, temporary employment of more than 3 days' duration, and part-time employment.

"Appropriate office of the State employment service system," means the local office of the Federal-State national system of public employment offices with assigned responsibility to

serve the area where the employment opening is to be filled, including the District of Columbia, Guam, the Commonwealth of Puerto Rico, and the Virgin Islands.

"Positions that will be filled from within the Contractor's organization" means employment openings for which no consideration will be given to persons outside the Contractor's organization (including any affiliates, subsidiaries, and parent companies) and includes any openings that the Contractor proposes to fill from regularly established "recall" lists. The exception does not apply to a particular opening once an employer decides to consider applicants outside of its organization.

"Veteran of the Vietnam era" means a person who--

(1) Served on active duty for a period of more than 180 days, any part of which occurred between August 5, 1964, and May 7, 1975, and was discharged or released therefrom with other than a dishonorable discharge; or

(2) Was discharged or released from active duty for a service-connected disability if any part of such active duty was performed between August 5, 1964 and May 7, 1975.

- (b) General. (1) Regarding any position for which the employee or applicant for employment is qualified, the Contractor shall not discriminate against the individual because the individual is a disabled veteran or a veteran of the Vietnam era. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled veterans and veterans of the Vietnam era without discrimination based upon their disability or veterans' status in all employment practices such as --

- (i) Employment;
- (ii) Upgrading;
- (iii) Demotion or transfer;
- (iv) Recruitment;
- (v) Advertising;
- (vi) Layoff or termination;
- (vii) Rates of pay or other forms of compensation; and
- (viii) Selection for training, including apprenticeship.

- (2) The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor (Secretary) issued under the Vietnam Era Veterans' Readjustment Assistance Act of 1972 (the Act), as amended.

- (c) Listing openings. (1) The Contractor agrees to list all employment openings existing at contract award or occurring during contract performance, at an appropriate office of the State employment service system in the locality where the

opening occurs. These openings include those occurring at any Contractor facility, including one not connected with performing this contract. An independent corporate affiliate is exempt from this requirement.

- (2) State and local government agencies holding Federal contracts of \$10,000 or more shall also list all employment openings with the appropriate office of the State employment service.
 - (3) The listing of employment openings with the State employment service system is required at least concurrently with using any other recruitment source or effort and involves the obligations of placing a bona fide job order, including accepting referrals of veterans and nonveterans. This listing does not require hiring any particular job applicant or hiring from any particular group of job applicants and is not intended to relieve the Contractor from any requirements of Executive orders or regulations concerning nondiscrimination in employment.
 - (4) Whenever the Contractor becomes contractually bound to the listing terms of this clause, it shall advise the State employment service system, in each State where it has establishments, of the name and location of each hiring location in the State. As long as the Contractor is contractually bound to these terms and has so advised the State system, it need not advise the State system of subsequent contracts. The Contractor may advise the State system when it is no longer bound by this contract clause.
- (d) Applicability. (1) This clause does not apply to the listing of employment openings that occur and are filled outside the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands.
- (2) The terms of paragraph (c) above of this clause do not apply to openings that the Contractor proposes to fill from within its own organization or under a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of its own organization or employer-union arrangement for that opening.
- (e) Postings. (1) The Contractor agrees to post employment notices stating
- (i) The Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era, and

- (ii) The rights of applicants and employees.
 - (2) These notices shall be posted in conspicuous places that are available to employees and applicants for employment. They shall be in a form prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, Department of Labor (Deputy Assistant Secretary), and provided by or through the Contracting Officer.
 - (3) The Contractor shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of the Act, and is committed to take affirmative action to employ, and advance in employment, qualified disabled veterans and veterans of the Vietnam era.
- (f) Noncompliance. If the Contractor does not comply with the requirements of this clause, appropriate actions may be taken under the rules, regulations, and relevant orders of the Secretary issued pursuant to the Act.
- (g) Subcontracts. The Contractor shall include the terms of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary. The Contractor shall act as specified by the Deputy Assistant Secretary to enforce the terms, including action for noncompliance.

I.9 52.228-3 WORKERS' COMPENSATION INSURANCE
 (DEFENSE BASE ACT) (APR 1984)

The Contractor shall (a) provide, before commencing performance under this contract, such workers' compensation insurance or security as the Defense Base Act (42 U.S.C. 1651 et seq.) requires and (b) continue to maintain it until performance is completed. The Contractor shall insert, in all subcontracts under this contract to which the Defense Base Act applies, a clause similar to this clause (including this sentence) imposing upon those subcontractors this requirement to comply with the Defense Base Act.

[End of Clause]

I.10 52.232-34 PAYMENT BY ELECTRONIC FUNDS TRANSFER--OTHER
THAN CENTRAL CONTRACTOR REGISTRATION (MAY 1999)

- (a) Method of payment.
- (1) All payments by the Government under this contract shall be made by electronic funds transfer (EFT) except as

provided in paragraph (a)(2) of this clause. As used in this clause, the term "EFT" refers to the funds transfer and may also include the payment information transfer.

(2) In the event the Government is unable to release one or more payments by EFT, the Contractor agrees to either--

(i) Accept payment by check or some other mutually agreeable method of payment; or

(ii) Request the Government to extend payment due dates until such time as the Government makes payment by EFT (but see paragraph (d) of this clause).

(b) Mandatory submission of Contractor's EFT information.

(1) The Contractor is required to provide the Government with the information required to make payment by EFT (see paragraph (j) of this clause). The Contractor shall provide this information directly to the office designated in this contract to receive that information (hereafter: "designated office") by 12/12/0020. If not otherwise specified in this contract, the payment office is the designated office for receipt of the Contractor's EFT information. If more than one designated office is named for the contract, the Contractor shall provide a separate notice to each office. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the designated office(s).

(2) If the Contractor provides EFT information applicable to multiple contracts, the Contractor shall specifically state the applicability of this EFT information in terms acceptable to the designated office. However, EFT information supplied to a designated office shall be applicable only to contracts that identify that designated office as the office to receive EFT information for that contract.

(c) Mechanisms for EFT payment. The Government may make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or the Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 CFR part 210.

(d) Suspension of payment. (1) The Government is not required to make any payment under this contract until after receipt, by the designated office, of the correct EFT payment information from the Contractor. Until receipt of the correct EFT information, any invoice or contract financing request shall be deemed not to be a proper invoice for the purpose of prompt payment under this contract. The prompt payment terms

of the contract regarding notice of an improper invoice and delays in accrual of interest penalties apply.

- (2) If the EFT information changes after submission of correct EFT information, the Government shall begin using the changed EFT information no later than 30 days after its receipt by the designated office to the extent payment is made by EFT. However, the Contractor may request that no further payments be made until the updated EFT information is implemented by the payment office. If such suspension would result in a late payment under the prompt payment terms of this contract, the Contractor's request for suspension shall extend the due date for payment by the number of days of the suspension.
- (e) Liability for uncompleted or erroneous transfers. (1) If an uncompleted or erroneous transfer occurs because the Government used the Contractor's EFT information incorrectly, the Government remains responsible for--
 - (i) Making a correct payment;
 - (ii) Paying any prompt payment penalty due; and
 - (iii) Recovering any erroneously directed funds.
- (2) If an uncompleted or erroneous transfer occurs because the Contractor's EFT information was incorrect, or was revised within 30 days of Government release of the EFT payment transaction instruction to the Federal Reserve System, and--
 - (i) If the funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Contractor is responsible for recovery of any erroneously directed funds; or
 - (ii) If the funds remain under the control of the payment office, the Government shall not make payment and the provisions of paragraph (d) shall apply.
- (f) DEFT and prompt payment. A payment shall be deemed to have been made in a timely manner in accordance with the prompt payment terms of this contract if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.
- (g) DEFT and assignment of claims. If the Contractor assigns the proceeds of this contract as provided for in the

assignment of claims terms of this contract, the Contractor shall require as a condition of any such assignment, that the assignee shall provide the EFT information required by paragraph (j) of this clause to the designated office, and shall be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information that shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to the Government, is incorrect EFT information within the meaning of paragraph (d) of this clause.

- (h) Liability for change of EFT information by financial agent. The Government is not liable for errors resulting from changes to EFT information provided by the Contractor's financial agent.
- (i) Payment information. The payment or disbursing office shall forward to the Contractor available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. The Government may request the Contractor to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, the Government does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with paragraph (a) of this clause, the Government shall mail the payment information to the remittance address in the contract.
- (j) DEFT information. The Contractor shall provide the following information to the designated office. The Contractor may supply this data for this or multiple contracts (see paragraph (b) of this clause). The Contractor shall designate a single financial agent per contract capable of receiving and processing the EFT information using the EFT methods described in paragraph (c) of this clause.
 - (1) The contract number (or other procurement identification number).
 - (2) The Contractor's name and remittance address, as stated in the contract(s).
 - (3) The signature (manual or electronic, as appropriate), title, and telephone number of the Contractor official authorized to provide this information.
 - (4) The name, address, and 9-digit Routing Transit Number of the Contractor's financial agent.

- (5) The Contractor's account number and the type of account (checking, saving, or lockbox).
- (6) If applicable, the Fedwire Transfer System telegraphic abbreviation of the Contractor's financial agent.
- (7) If applicable, the Contractor shall also provide the name, address, telegraphic abbreviation, and 9-digit Routing Transit Number of the correspondent financial institution receiving the wire transfer payment if the Contractor's financial agent is not directly on-line to the Fedwire Transfer System; and, therefore, not the receiver of the wire transfer payment.

I.11 52.242-4 CERTIFICATION OF FINAL INDIRECT COSTS (JAN 1997)

- (a) The Contractor shall--
 - (1) Certify any proposal to establish or modify final indirect cost rates;
 - (2) Use the format in paragraph (c) of this clause to certify; and
 - (3) Have the certificate signed by an individual of the Contractor's organization at a level no lower than a vice president or chief financial officer of the business segment of the Contractor that submits the proposal.
- (b) Failure by the Contractor to submit a signed certificate, as described in this clause, may result in final indirect costs at rates unilaterally established by the Contracting Officer.
- (c) The certificate of final indirect costs shall read as follows:

CERTIFICATE OF FINAL INDIRECT COSTS

This is to certify that I have reviewed this proposal to establish final indirect cost rates and to the best of my knowledge and belief:

- 1. All costs included in this proposal (identify proposal and date) to establish final indirect costs rates for (identify period covered by rate) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) and its supplements applicable to the contracts to which the final indirect cost rates will apply; and
- 2. This proposal does not include any costs which are expressly unallowable under applicable cost principles of the FAR or its supplements.

Firm: _____

Signature: _____

Name of Certifying Official: _____

Title: _____

Date of Execution: _____

[End of Clause]

I.12 NOTIFICATION OF CHANGES

In accordance with FAR 52.243-7, Notification of Changes, the Contractor shall notify the Contracting Officer in writing promptly, within 30 calendar days from the date that the Contractor identifies any Government conduct that the Contractor regards as a change to the contract terms and conditions. The Contracting Officer shall promptly, within 15 calendar days after receipt of notice, respond to the notice in writing.

[End of Clause]

I.13 752.7005 SUBMISSION REQUIREMENTS FOR DEVELOPMENT
EXPERIENCE DOCUMENTS (OCT 1997)

(a) Contract Reports and Information/Intellectual Products.

- (1) The Contractor shall submit to PPC/CDIE/DI copies of reports and information products which describe, communicate or organize program/project development assistance activities, methods, technologies, management, research, results and experience as outlined in the Agency's ADS Chapter 540, section E540.5.2b(3). Information may be obtained from the Cognizant Technical Officer (CTO).

These reports include: assessments, evaluations, studies, development experience documents, technical reports and annual reports. The Contractor shall also submit to PPC/CDIE/DI copies of information products including training materials, publications, databases, computer software programs, videos and other intellectual deliverable materials required under the Contract Schedule. Time-sensitive materials such as newsletters, brochures, bulletins or periodic reports covering periods of less than a year are not to be submitted.

- (2) Upon contract completion, the contractor shall submit to PPC/CDIE/DI an index of all reports and information/intellectual products referenced in paragraph (a)(1).

(b) Submission requirements.

(1) Distribution.

- (i) The contractor shall submit contract reports and information/intellectual products (referenced in paragraph (a)(1) above) in electronic format and hard copy (one copy) to U.S. Agency for International Development, PPC/CDIE/DI, Attn: ACQUISITIONS, Washington D.C. 20523 at the same time submission is made to the CTO.
- (ii) The contractor shall submit the reports index referenced in paragraph (a)(2) above and any reports referenced in paragraph (a)(1) above that have not been previously submitted to PPC/CDIE/DI, within 30 days after completion of the contract to the address cited in paragraph (b)(1)(i) above.

(2) Format.

- (i) Descriptive information is required for all Contractor products submitted. The title page of all reports and information products shall include the contract number(s), contractor name(s), name of the USAID cognizant technical office, the publication or issuance date of the document, document title, author name(s), and strategic objective or activity title and associated number. In addition, all materials submitted in accordance with this clause shall have attached on a separate cover sheet the name, organization, address, telephone number, fax number, and Internet address of the submitting party.
- (ii) The hard copy report shall be prepared using non-glossy paper (preferably recycled and white or off-white) using black ink. Elaborate art work, multicolor printing and expensive bindings are not to be used. Whenever possible, pages shall be printed on both sides.
- (iii) The electronic document submitted shall consist of only one electronic file which comprises the complete and final equivalent of the hard copy submitted.
- (iv) Acceptable software formats for electronic documents include WordPerfect, Microsoft Word, ASCII, and Portable Document Format (PDF). Submission in Portable Document Format is encouraged.
- (v) The electronic document submission shall include

the following descriptive information:

- (A) Name and version of the application software used to create the file, e.g., WordPerfect Version 6.1 or ASCII or PDF.
- (B) The format for any graphic and/or image file submitted, e.g., TIFF-compatible.
- (C) Any other necessary information, e.g. special backup or data compression routines, software used for storing/retrieving submitted data, or program installation instructions.

I.14 COMMUNICATIONS PRODUCTS (OCT 1994)

- (a) Definition - Communications products are any printed materials (other than non-color photocopy material), photographic services or video production services.
- (b) Standards - USAID has established standards for communications products. These standards must be followed unless otherwise specifically provided in the contract or approved in writing by the contracting officer. A copy of the standards for USAID financed publications and video productions is attached.
- (c) Communications products which meet any of the following criteria are not eligible for USAID financing under this agreement unless specifically authorized in the contract or in writing by the contracting officer:
 - (1) All communications materials funded by operating expense account funds;
 - (2) Any communication products costing over \$25,000, including the costs of both preparation and execution. For example, in the case of a publication, the costs will include research, writing and other editorial services (including any associated overhead), design, layout and production costs.
 - (3) Any communication products that will be sent directly to, or likely to be seen by, a Member of Congress or Congressional staffer; and
 - (4) Any publication that will have more than 50 percent of its copies distributed in the United States (excluding copies provided to CDIE and other USAID/W offices for internal use.
- (d) The initial proposal must provide a separate estimate of the cost of every communications product as defined in paragraph (a) above [not just those which meet the criteria in paragraph (c)] which is anticipated under the contract. Each estimate

must include all of the costs associated with preparation and execution of the product. Any subsequent request for approval of a covered communication product must provide the same type of cost information.

[End of Clause]

[END OF SECTION I]

Section J

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

1	USAID Geographic Codes	1
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ATTACHMENT 1

IDENTIFICATION OF PRINCIPAL GEOGRAPHIC CODE NUMBERS

The USAID Geographic Code Book sets forth the official description of all geographic codes used by USAID in authorizing or implementing documents, to designate authorized source countries or areas. The following are summaries of the principal codes:

- (a) Code 000--The United States: The United States of America, any State(s) of the United States, the District of Columbia, and areas of U.S.-associated sovereignty, including commonwealths, territories and possessions.
- (b) Code 899--Any area or country, except the cooperating country itself and the following foreign policy restricted countries: Afghanistan, Libya, Vietnam, Cuba, Cambodia, Laos, Iraq, Iran, North Korea, Syria and People's Republic of China.
- (c) Code 935--Any area or country including the cooperating country, but excluding the foreign policy restricted countries.
- (d) Code 941--The United States and any independent country (excluding foreign policy restricted countries), except the cooperating country itself and the following: Albania, Andorra, Angola, Armenia, Austria, Australia, Azerbaijan, Bahamas, Bahrain, Belgium, Bosnia and Herzegovina, Bulgaria, Belarus, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Gabon, Georgia, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Italy, Japan, Kazakhstan, Kuwait, Kyrgyzstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia*, Malta, Moldova, Monaco, Mongolia, Montenegro*, Netherlands, New Zealand, Norway, Poland, Portugal, Qatar, Romania, Russia, San Marino, Saudi Arabia, Serbia*, Singapore, Slovak Republic, Slovenia, South Africa, Spain, Sweden, Switzerland, Taiwan*, Tajikistan, Turkmenistan, Ukraine, United Arab Emirates, United Kingdom, Uzbekistan, and Vatican City.

* Has the status of a "Geopolitical Entity", rather than an independent country.

ATTACHMENT 2

USAID FORM 1420-17 - CONTRACTOR BIOGRAPHICAL DATA SHEET

Form can be downloaded from the following website:

www.usaid.gov/procurement_bus_opp/procurement/forms

ATTACHMENT 3

SF LLL - DISCLOSURE OF LOBBYING ACTIVITIES

Form can be downloaded from the following website:

www.usaid.gov/procurement_bus_opp/procurement/forms

ATTACHMENT 4

CERTIFICATE OF CURRENT COST AND PRICING DATA

This is to certify that, to the best of my knowledge and belief, cost or pricing data (as defined in Section 15.401 of the Federal Acquisition Regulation (FAR) and required under FAR subsection 15.403-4) submitted, either actually or by specific identification in writing, to the Contracting Officer or to the Contracting Officer's representative in support of _____ are accurate, complete, and current as of _____.**

FIRM: _____

NAME: _____

TITLE: _____

DATE OF EXECUTION: _____

- * Identify the proposal, quotation, request for price adjustment, or other submission involved, giving the appropriate identifying number (e.g., RFP Number).
- ** Insert the day, month, and year when price negotiations were concluded and price agreement was reached.
- *** Insert the day, month, and year of signing, which should be as close as practicable to the date when price negotiations were concluded and the contract price was agreed to.

ATTACHMENT 5

MODEL SMALL BUSINESS/SMALL DISADVANTAGED SUBCONTRACTING PLAN

MODEL SUBCONTRACTING PLAN OUTLINE

Identification Data

Contractor: _____

Address: _____

Solicitation or Contract Number: _____

Project Title: _____

Total Amount of Contract (Including Options) \$ _____

Period of Contract Performance (MO. & YR.) _____

- * Federal Acquisition Regulation (FAR), paragraph 19.708(b) prescribes the use of the clause at FAR 52.219-9 entitled "Small Business, Small Disadvantaged Business, and Women Owned Small Business Subcontracting Plan." The following is a suggested model for use when formulating such subcontracting plan. While this model plan has been designed to be consistent with 52.219-9, other formats of a subcontracting plan may be acceptable. However, failure to include the essential information as exemplified in this model may be cause for either a delay in acceptance or the rejection of a bid or offer where the clause is applicable. Further, the use of this model is not intended to waive other requirements that may be applicable under FAR 52.219-9. "SUBCONTRACT" as used in this clause, means any agreement (other than one involving an employer-employee relationship (entered into a Federal Government prime contractor or subcontractor calling for supplies or services required for performance of the contract or subcontract

1. Type of Plan (Check One)

_____ Individual plan (All elements developed specifically for this contract and applicable for the full term of this contract).

_____ Master plan (Goals developed for this contract; all other elements standard; must be renewed annually).

_____ Commercial products plan (Contractor sells large quantities of off-the-shelf commodities to many Government agencies).

Plans/goals negotiated by a lead agency on a company-wide basis rather than for individual contracts. Plan effective only during year approved. Contractor must provide copy of lead agency approval).

2. Goals

State separate dollar and percentage goals for small business concerns, small disadvantaged business concerns, and women-owned small business concerns as subcontractors as specified in FAR 52.219-9 and FAR 19.704(a)(1).

A. Total estimated dollar value of all planned subcontracting, i.e., with all types of organizations under this contract, is \$_____.

B. Total estimated dollar value and percentage of planned subcontracting with small business concerns:
\$_____ and _____%*

C. Total estimated dollar value and percentage of planned subcontracting with small disadvantaged business concerns:
\$_____ and _____%*

D. Total estimated dollar value and percentage of planned subcontracting with women-owned small business concerns:
\$_____ and _____%*

(*Expressed as a percentage of "A")

E. Description of all the products and/or services to be subcontracted under this contract, and an indication of the types of organizations supplying them: (i.e., LARGE BUSINESS (LB), SMALL BUSINESS (SB), SMALL DISADVANTAGED BUSINESS (SDB), AND WOMEN-OWNED SMALL BUSINESS (W-OSB)).

(check all that apply)

Subcontracted Product/Service	LB	SB	SDB	W-OSB

(Attach additional sheets if necessary.)

F. A description of the method used to develop the subcontracting goals for small, small disadvantaged, and women-owned small business concerns (i.e., explain the method and state the quantitative basis (in dollars) used to

establish the percentage goals; also, explain how the areas to be subcontracted to small, small disadvantaged, and women-owned small business concerns were determined, and how the capabilities of small, small disadvantaged, and women-owned small businesses were determined -- include any source lists used in the determination process).

- G. Indirect costs have been _____ have not been _____ included in the dollar and percentage subcontracting goals stated above. (check one)
- H. If indirect costs have been included, explain the method used to determine the proportionate share of such costs to be allocated as subcontracts to small business, small disadvantaged business, and women-owned small business concerns.

3. Program Administrator

Name, title, position within the corporate structure, and duties and responsibilities of the employee who will administer the contractor's subcontracting program.

Name: _____

Title: _____

Address: _____

Telephone: _____

Duties: Has general overall responsibility for the contractor's

subcontracting program; i.e., developing, preparing, and executing individual subcontracting plans and monitoring performance relative to the requirements of this particular plan. These duties include, but are not limited to, the following activities:

- A. Developing and promoting company-wide policy initiatives that demonstrate the company's support for awarding contracts and subcontracts to small, small disadvantaged, and women-owned small business concerns; assuring that small, small disadvantaged, and women-owned small businesses are included on the source lists for solicitations for products and services for which they are capable of providing;
- B. Developing and maintaining bidder's lists of small, small disadvantaged, and women-owned small business concerns from all possible sources;
- C. Ensuring periodic rotation of potential subcontractors on bidder's lists;
- D. Ensuring that procurement "packages" are designed to permit the maximum possible participation of small, small disadvantaged, and women-owned small businesses;
- E. Making arrangements for the utilization of various sources for the identification of small, small disadvantaged, and women-owned small businesses such as the SBA's Procurement Automated Source System (PASS), the National Minority Purchasing Council Vendor Information Service, the Office of Minority Business Data Center in the Department of Commerce, and the facilities of local small business and minority associations, and maintaining contact with the Federal agency's Small and Disadvantaged Business Utilization Specialist.
- F. Overseeing the establishment and maintenance of contract and subcontract award records;
- G. Attending or arranging for the attendance of company counselors Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, Procurement Conferences, etc.;
- H. Ensuring small, small disadvantaged, and women-owned small business concerns are made aware of subcontracting opportunities and of how to prepare responsive bids to the company;
- I. Conducting or arranging for the conduct of training for purchasing personnel regarding the intent and impact of Public Law 95-507 et seq on purchasing procedures;
- J. Monitoring the company's performance and making any

adjustments necessary to achieve the Subcontracting Plan goals;

- K. Preparing and submitting timely, required Subcontracting Reports, including SF 294 and SF 295;
- L. Coordinating the company's activities during the conduct of compliance reviews by Federal agencies; and,
- M. Other duties: _____

4. Equitable Opportunity

Describe efforts the offeror will make to ensure that small, small disadvantaged, and women-owned small business concerns will have an equitable opportunity to compete for subcontracts. These efforts include, but are not limited to the following activities:

- A. Outreach efforts to obtain sources:
 - 1. Contacting minority and small business trade association;
 - 2. Contacting business development organizations;
 - 3. Attending small and minority business procurement conferences and trade fairs; and
 - 4. Requesting sources from the Small Business Administration's Procurement Automated Source System (PASS).
 - 5. Placing newspaper and magazine ads which encourage new sources.
- B. Internal efforts to guide and encourage purchasing personnel:
 - 1. Presenting workshops, seminars, and training programs;
 - 2. Establishing, maintaining, and using small, small disadvantaged, and women-owned small businesses source lists, guides, and other data for soliciting subcontracts; and

3. Monitoring activities to evaluate compliance with the Subcontracting Plan.

C. Additional efforts: _____

5. Flow-Down Clause

The contractor agrees to include the provisions under FAR 52.219-8, "Utilization of Small Business Concerns, Small Disadvantaged Business Concerns, and Women-Owned Small Business Concerns", in all subcontracts that offer further subcontracting opportunities. All subcontractors, except small business concerns, that receive subcontracts in excess of \$500,000 (\$1,000,000 for construction) must adopt and comply with a plan similar to the plan required by FAR 52.219-9, "Small Business, Small Disadvantaged Business, and Women-Owned Small Business Subcontracting Plan." Ref. FAR 19.704 (a) (4)

6. Reporting and Cooperation

The contractor gives assurance of (1) cooperation in any studies or surveys that may be required; (2) submission of periodic reports which show compliance with the Subcontracting Plan; (3) submission of Standard Form SF 294, "Subcontracting Report for Individual Contracts, "and SF 295, "Summary Subcontract Report," in accordance with the instructions on the forms; and (4) ensuring that subcontractors agree to submit SF 294 and SF 295.

Reporting Period	Report Due	Due
Oct 1 - Mar 31	SF 294	04/30
Apr 1 - Sep 30	SF 294	10/30
Oct 1 - Sep 30	SF 295	10/30

ADDRESSES

(a) SF 294 and

(b) SF 295 to be submitted to:

Director

Office of Small and Disadvantaged Business
Utilization/Minority Resource Center
U.S. Agency for International Development
Washington, DC 20523-1414

7. Recordkeeping

The following is a recitation of the types of records the contractor will maintain to demonstrate the procedures adopted to comply with the requirements and goals in the Subcontracting Plan. These records will include, but not be limited to, the following:

- A. Small, small disadvantaged, and women-owned small business concerns source lists, guides, and other data identifying such vendors;
- B. Organizations contacted in an attempt to locate small, small disadvantaged, and women-owned small business sources;
- C. On a contract-by-contract basis, records on all subcontract solicitations over \$100,000 which indicate for each solicitation (1) whether small business concerns were solicited, and if not, why not; (2) whether small disadvantaged business concerns were solicited, and if not, why not; (3) whether women-owned small business concerns were solicited, and if not, why not; and (4) reason for the failure of solicited small, small disadvantaged, or women-owned small business concerns to receive the subcontract award;
- D. Records to support other outreach efforts, e.g., contacts with minority and small business trade associations, attendance at small and minority business procurement conferences and trade fairs;
- E. Records to support internal guidance and encouragement provided buyers through (1) workshops, seminars, training programs, incentive awards; and (2) monitoring of activities to evaluate compliance; and
- F. On a contract-by-contract basis, records to support subcontract data including the name, address, and business size of each subcontractor. (This item is not required for company or division- wide commercial products plans.)
- G. Additional records: _____

This subcontracting plan was submitted by:

Signature: _____

Typed Name: _____

Title: _____

Date Prepared: _____

Phone No.: _____

ATTACHMENT 6

SF 294 - SUBCONTRACTING REPORT FOR INDIVIDUAL CONTRACTS

Form can be downloaded from the following website:

www.usaid.gov/procurement_bus_opp/procurement/forms

ATTACHMENT 7

AID 1420 - 65 AID CONTRACTOR EMPLOYEE PHYSICAL EXAMINATION FORM

Form can be downloaded from the following website:

www.usaid.gov/procurement_bus_opp/procurement/forms

ATTACHMENT 8

Mission Strategy Document

The USAID/Armenia Strategy can be found at the following website:

<http://www.usaid.gov/countries/am>

ATTACHMENT 9

LIST OF REPORTS

Report of a Diagnostic Workshop Conducted with the Customs Administration of the Republic of Armenia - prepared by Barents Group, dated April 7, 2000.

The report can be found at the following website:

<http://www.usaid.gov/countries/am>

ATTACHMENT 10

USAID/Armenia FSN Compensation Plan

AMEMBASSY YEREVAN, ARMENIA

AUTHORIZATION: STATE 103365 DATED 05/31/00
LCP DENOMINATED IN USD
PAID IN AMD

EFFECTIVE DATE: 08/27/00 (PP 18/00)

Grade	Step-1	Step-2	Step-3	Step-4	Step-5	Step-6	Step-7	Step-8	Step-9	Step-10	Step-11	Step-12	Step-13	Step-14	WGI
12	13,298.00	13,697.00	14,096.00	14,495.00	14,894.00	15,293.00	15,692.00	16,091.00	16,490.00	16,889.00	17,288.00	17,687.00	18,086.00	18,485.00	399.00
11	12,090.00	12,453.00	12,816.00	13,179.00	13,542.00	13,905.00	14,268.00	14,631.00	14,994.00	15,357.00	15,720.00	16,083.00	16,446.00	16,809.00	363.00
10	10,830.00	11,155.00	11,480.00	11,805.00	12,130.00	12,455.00	12,780.00	13,105.00	13,430.00	13,755.00	14,080.00	14,405.00	14,730.00	15,055.00	325.00
9	9,309.00	9,588.00	9,867.00	10,146.00	10,425.00	10,704.00	10,983.00	11,262.00	11,541.00	11,820.00	12,099.00	12,378.00	12,657.00	12,936.00	279.00
8	8,210.00	8,456.00	8,702.00	8,948.00	9,194.00	9,440.00	9,686.00	9,932.00	10,178.00	10,424.00	10,670.00	10,916.00	11,162.00	11,408.00	246.00
7	7,465.00	7,689.00	7,913.00	8,137.00	8,361.00	8,585.00	8,809.00	9,033.00	9,257.00	9,481.00	9,705.00	9,929.00	10,153.00	10,377.00	224.00
6	5,331.00	5,491.00	5,651.00	5,811.00	5,971.00	6,131.00	6,291.00	6,451.00	6,611.00	6,771.00	6,931.00	7,091.00	7,251.00	7,411.00	160.00
5	4,848.00	4,993.00	5,138.00	5,283.00	5,428.00	5,573.00	5,718.00	5,863.00	6,008.00	6,153.00	6,298.00	6,443.00	6,588.00	6,733.00	145.00
4	4,407.00	4,539.00	4,671.00	4,803.00	4,935.00	5,067.00	5,199.00	5,331.00	5,463.00	5,595.00	5,727.00	5,859.00	5,991.00	6,123.00	132.00
3	3,880.00	3,996.00	4,112.00	4,228.00	4,344.00	4,460.00	4,576.00	4,692.00	4,808.00	4,924.00	5,040.00	5,156.00	5,272.00	5,388.00	116.00
2	3,527.00	3,633.00	3,739.00	3,845.00	3,951.00	4,057.00	4,163.00	4,269.00	4,375.00	4,481.00	4,587.00	4,693.00	4,799.00	4,905.00	106.00
1	3,201.00	3,297.00	3,393.00	3,489.00	3,585.00	3,681.00	3,777.00	3,873.00	3,969.00	4,065.00	4,161.00	4,257.00	4,353.00	4,449.00	96.00

Note: Step rates 12, 13, and 14 are longevity step rates, each with a 156 week waiting period.

APPROVED BY:

STATE

USAID

DAO

USDA

PC

US Treasury

[END OF SECTION J]

PART IV - REPRESENTATIONS AND INSTRUCTIONS**SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS****K.1 52.203-11 CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (APR 1991)**

- (a) The definitions and prohibitions contained in the clause, at FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions, included in this solicitation, are hereby incorporated by reference in paragraph (b) of this certification.
- (b) The offeror, by signing its offer, hereby certifies to the best of his or her knowledge and belief that on or after December 23, 1989--
 - (1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement;
 - (2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer; and
 - (3) He or she will include the language of this certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.
- (c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

K.2 52.204-3 TAXPAYER IDENTIFICATION (JUN 1997)

- (a) Definitions

"Common parent," as used in this solicitation provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.

"Corporate status," as used in this solicitation provision, means a designation as to whether the offeror is a corporate entity, an unincorporated entity (e.g., sole proprietorship or partnership), or a corporation providing medical and health care services.

"Taxpayer Identification Number (TIN)," as used in this solicitation provision, means the number required by the IRS to be used by the offeror in reporting income tax and other returns.

- (b) All offerors are required to submit the information required in paragraphs (c) through (e) of this solicitation provision in order to comply with reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by the Internal Revenue Service (IRS). If the resulting contract is subject to the reporting requirements described in FAR 4.903, the failure or refusal by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

- (c) Taxpayer Identification Number (TIN).

☐ TIN:_____.

☐ TIN has been applied for.

☐ TIN is not required because:

☐ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the U.S. and does not have an office or place of business or a fiscal paying agent in the U.S.;

☐ Offeror is an agency or instrumentality of a foreign government;

☐ Offeror is an agency or instrumentality of a Federal, state, or local government;

☐ Other. State basis._____

- (d) Corporate Status.

☐ Corporation providing medical and health care services, or engaged in the billing and collecting of payments for such services;

☐ Other corporate entity;

☐ Not a corporate entity:

☐ Sole proprietorship

☐ Partnership

☐ Hospital or extended care facility described in 26 CFR 501(c)(3) that is exempt from taxation under 26 CFR 501(a).

(e) Common Parent.

☐ Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this provision.

☐ Name and TIN of common parent:

Name _____

TIN _____

K.3 52.204-5 WOMEN-OWNED BUSINESS (OTHER THAN SMALL BUSINESS) (MAY 1999)

(a) Definition. Women-owned business concern, as used in this provision, means a concern that is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of its stock is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

(b) Representation. [Complete only if the offeror is a women-owned business concern and has not represented itself as a small business concern in paragraph (b)(1) of FAR 52.219-1, Small Business Program Representations, of this solicitation.] The offeror represents that it [] is a women-owned business concern.

K.4 52.209-5 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS(MAR 1996)

(a) (1) The Offeror certifies, to the best of its knowledge and belief, that--

(i) The Offeror and/or any of its Principals--

(A) Are () are not () presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have () have not (), within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to

obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are () are not () presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (A)(1)(i)(B) of this provision.

(ii) The Offeror has () has not (), within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER SECTION 1001, TITLE 18, UNITED STATES CODE.

- (b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.
- (d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed

when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

[End of Provision]

K.5 52.219-1 SMALL BUSINESS PROGRAM REPRESENTATIONS (MAY 1999)

- (a) (1) The standard industrial classification (SIC) code for this acquisition is 8999.
- (2) The small business size standard is \$7.0 million average annual receipts for an offeror's last 3 fiscal years.
- (3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) Representations.

- (1) The offeror represents as part of its offer that it [] is, [] is not a small business concern.
- (2) (Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.) The offeror represents, for general statistical purposes, that it [] is, [] is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.
- (3) (Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.) The offeror represents as part of its offer that it [] is, [] is not a women-owned small business concern.

(c) Definitions.

"Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and the size standard in paragraph (a) of this provision.

"Women-owned small business concern," as used in this provision, means a small business concern--

- (1) Which is at least 51 percent owned by one or more women or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

- (2) Whose management and daily business operations are controlled by one or more women.

(d) Notice.

- (1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.

- (2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small, small disadvantaged, or women-owned small business concern in order to obtain a contract to be awarded under the preference programs established pursuant to section 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall--

- (i) Be punished by imposition of fine, imprisonment, or both;

- (ii) Be subject to administrative remedies, including suspension and debarment; and

- (iii) Be ineligible for participation in programs conducted under the authority of the Act.

K.6 52.219-22 SMALL DISADVANTAGED BUSINESS STATUS (OCT 1998)
Alternate I (OCT 1998)

- (a) General. This provision is used to assess an offeror's small disadvantaged business status for the purpose of obtaining a benefit on this solicitation. Status as a small business and status as a small disadvantaged business for general statistical purposes is covered by the provision at FAR 52.219-1, Small Business Program Representation.

(b) Representations.

- (1) General. The offeror represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either--

- [] (i) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and

- (A) No material change in disadvantaged ownership and control has occurred since its certification;

- (B) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking

into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(C) It is listed, on the date of this representation, on the register of small disadvantaged business concerns maintained by the Small Business Administration; or

[] (ii) It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

(2) [] For Joint Ventures. The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements at 13 CFR 124.1002(f) and that the representation in paragraph (b)(1) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. [The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture:_____.]

(3) Address. The offeror represents that its address [] is, [] is not in a region for which a small disadvantaged business procurement mechanism is authorized and its address has not changed since its certification as a small disadvantaged business concern or submission of its application for certification. The list of authorized small disadvantaged business procurement mechanisms and regions is posted at <http://www.arnet.gov/References/sdbadjustments.htm>. The offeror shall use the list in effect on the date of this solicitation. "Address," as used in this provision, means the address of the offeror as listed on the Small Business Administration's register of small disadvantaged business concerns or the address on the completed application that the concern has submitted to the Small Business Administration or a Private Certifier in accordance with 13 CFR part 124, subpart B. For joint ventures, "address" refers to the address of the small disadvantaged business concern that is participating in the joint venture.

(c) Penalties and Remedies. Anyone who misrepresents any aspects of the disadvantaged status of a concern for the purposes of securing a contract or subcontract shall--

(1) Be punished by imposition of a fine, imprisonment, or both;

(2) Be subject to administrative remedies, including suspension and debarment; and

- (3) Be ineligible for participation in programs conducted under the authority of the Small Business Act.

K.7 52.222-22 PREVIOUS CONTRACTS AND COMPLIANCE REPORTS
(FEB 1999)

The offeror represents that--

- (a) It [] has, [] has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation;
- (b) It [] has, [] has not filed all required compliance reports; and
- (c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

K.8 52.222-25 AFFIRMATIVE ACTION COMPLIANCE (APR 1984)

The offeror represents that

- (a) It [] has developed and has on file, [] has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2); or
- (b) It [] has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

K.9 52.223-1 CLEAN AIR AND WATER CERTIFICATION (APR 1984)

The Offeror certifies that--

- (a) Any facility to be used in the performance of this proposed contract is [], is not [] listed on the Environmental Protection Agency (EPA) List of Violating Facilities;
- (b) The Offeror will immediately notify the Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the EPA, indicating that any facility that the Offeror proposes to use for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities; and
- (c) The Offeror will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

[End of Provision]

K.10 52.226-2 HISTORICALLY BLACK COLLEGE OR UNIVERSITY AND

MINORITY INSTITUTION REPRESENTATION (MAY 1997)

- (a) Definitions. As used in this provision--Historically Black College or University means an institution determined by the Secretary of Education to meet the requirements of 34 CFR 608.2. For the Department of Defense, the National Aeronautics and Space Administration, and the Coast Guard, the term also includes any nonprofit research institution that was an integral part of such a college or university before November 14, 1986.

Minority Institution means an institution of higher education meeting the requirements of Section 1046(3) of the Higher Education Act of 1965 (20 U.S.C. 1135d-5(3)) which, for the purpose of this provision, includes a Hispanic-serving institution of higher education as defined in Section 316(b)(1) of the Act (20 U.S.C. 1059c(b)(1)).

- (b) Representation. The offeror represents that it--

[] is [] is not a Historically Black College or University;
[] is [] is not a Minority Institution.

[End of Provision]

K.11 52.230-1 COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION
(APR 1998)

NOTE: This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or 9903.201-2(c)(6), respectively.

I. DISCLOSURE STATEMENT--COST ACCOUNTING PRACTICES AND CERTIFICATION

- (a) Any contract in excess of \$500,000 resulting from this solicitation will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.
- (b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing

of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

CAUTION: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

/_ /(1) Certificate of Concurrent Submission of Disclosure Statement.

The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows: (i) Original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable, and (ii) One copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation.)

Date of Disclosure Statement: _____

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

/_ /(2) Certificate of Previously Submitted Disclosure Statement.

The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement: _____

Name and Address of Cognizant ACO or Federal

Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

/_ /(3) Certificate of Monetary Exemption.

The offeror hereby certifies that the offeror together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling more than \$25 million (of which at least one award exceeded \$1 million) in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

/_ /(4) Certificate of Interim Exemption.

The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Contracting Officer, in the form specified under subparagraphs (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

CAUTION: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$25 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

II. COST ACCOUNTING STANDARDS--ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

/_ / The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than \$25 million in awards of CAS-covered prime contracts and subcontracts, or the offeror did not receive a single CAS-covered award exceeding \$1 million. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

CAUTION: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$25 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$25 million or more.

III. ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

/___/ YES

/___/ NO

K.12 752.226-1 DISADVANTAGED ENTERPRISE REPRESENTATION (APR 1991)

The offeror/contractor shall submit a representation in the following form to the contracting officer:

(a) Representation. The offeror represents that:

(1) It [] is, [] is not a small disadvantaged business.

(2) It [] is, [] is not an historically black college or university, as designated by the Secretary of Education pursuant to 34 CFR 608.2.

(3) It [] is, [] is not a college or university having a student body in which more than 40 percent of the

students are Hispanic American.

- (4) It [] is, [] is not a private voluntary organization which is controlled by individuals who are socially and economically disadvantaged.

(b) Definitions.

- (1) "Asian Pacific Americans," as used in this provision means United States citizens whose origins are in Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territory of the Pacific Islands (Republic of Palau), the Northern Mariana Islands, Laos, Kampuchea (Cambodia), Taiwan, Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Republic of the Marshall Islands, or the Federated States of Micronesia.
- (2) "Controlled by socially and economically disadvantaged individuals" means management and daily business are controlled by one or more such individuals.
- (3) "Native Americans," as used in this provision means American Indians, Eskimos, Aleuts, and native Hawaiians.
- (4) "Owned by socially and economically disadvantaged individuals" means at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged, or a publicly owned business having at least 51 percent of its stock owned by one or more socially and economically disadvantaged individuals.
- (5) "Small business concern," as used in this provision, means a U.S. concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualifies as a small business under the criteria and size standards in 13 CFR 121.
- (6) "Small disadvantaged business," as used in this provision, means a small business concern that:
- (i) Is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged, or a publicly owned business having at least 51 percent of its stock owned by one or more socially and economically disadvantaged individuals; and
 - (ii) Has its management and daily business controlled by one or more such individuals.
- (7) "Subcontinent Asian Americans," as used in this provision, means United States citizens whose origins are in India, Pakistan, Bangladesh, Sri Lanka, Bhutan, or Nepal.

- (c) Qualified groups. The offeror shall presume that socially
- Page 99 of 94

and economically disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, and women.

[End of Provision]

K.13 INSURANCE - IMMUNITY FROM TORT LIABILITY

The offeror represents that it [] is, [] is not a State agency or charitable institution, and that it [] is not immune, [] is partially immune, [] is totally immune from tort liability to third persons.

[End of Provision]

K.14 AGREEMENT ON, OR EXCEPTIONS TO, TERMS AND CONDITIONS

The Offeror has reviewed the solicitation (Sections B through J of which will become the contract) and [] agrees to the terms and conditions set forth therein; or [] has the following exceptions (continue on a separate attachment page, if necessary):

[End of Provision]

K.15 SIGNATURE

By signature hereon, or on an offer incorporating these Representations, Certifications, and Other Statements of Offerors, the offeror certifies that they are accurate, current, and complete, and that the offeror is aware of the penalty prescribed in 18 U.S.C. 1001 for making false statements in offers.

Solicitation No. _____
Offer/Proposal No. _____
Date of Offer _____
Name of Offeror _____
Typed Name and Title _____
Signature _____ Date _____

[End of Provision]

SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS**L.1 52.252-1 SOLICITATION PROVISIONS INCORPORATED
BY REFERENCE (FEB 1998)**

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this/these address(es):

<http://www.arnet.gov/far>
www.usaid.gov

**I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)
PROVISIONS**

NUMBER	TITLE	DATE
52.204-6	DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER	JUN 1999
52.214-34	SUBMISSION OF OFFERS IN THE ENGLISH LANGUAGE	APR 1991
52.214-35	SUBMISSION OF OFFERS IN US CURRENCY	APR 1991
52.215-16	FACILITIES CAPITAL COST OF MONEY	OCT 1997
52.219-24	SMALL DISADVANTAGED BUSINESS	JAN 1999
52.222-24	PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE EVALUATION	FEB 1999
52.222-46	EVALUATION OF COMPENSATION FOR PROFESSIONAL EMPLOYEES	FEB 1993
52.237-8	RESTRICTION ON SEVERANCE PAYMENTS TO FOREIGN NATIONALS	OCT 1995

[End of Provision]

**L.2 52.215-1 INSTRUCTIONS TO OFFERORS--COMPETITIVE ACQUISITION
(OCT 1997) ALTERNATE II (OCTOBER 1997)**

(a) Definitions. As used in this provision--

"Discussions" are negotiations that occur after establishment of the competitive range that may, at the Contracting Officer's discretion, result in the offeror being allowed to revise its proposal.

"In writing" or "written" means any worded or numbered expression which can be read, reproduced, and later communicated, and includes electronically transmitted and stored information.

"Proposal modification" is a change made to a proposal before the solicitation's closing date and time, or made in response to an amendment, or made to correct a mistake at any time before award.

"Proposal revision" is a change to a proposal made after the solicitation closing date, at the request of or as allowed by a Contracting Officer as the result of negotiations.

"Time", if stated as a number of days, is calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

(b) Amendments to solicitations. If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this solicitation by the date and time specified in the amendment(s).

(c) Submission, modification, revision, and withdrawal of proposals.

(1) Unless other methods (e.g., electronic commerce or facsimile) are permitted in the solicitation, proposals and modifications to proposals shall be submitted in paper media in sealed envelopes or packages (i) addressed to the office specified in the solicitation, and (ii) showing the time and date specified for receipt, the solicitation number, and the name and address of the offeror. Offerors using commercial carriers should ensure that the proposal is marked on the outermost wrapper with the information in paragraphs (c)(1)(i) and (c)(1)(ii) of this provision.

(2) The first page of the proposal must show--

- (i) The solicitation number;
- (ii) The name, address, and telephone and facsimile numbers of the offeror (and electronic address if available);
- (iii) A statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation and agreement to furnish any or all items upon which prices are offered at the price set opposite each item;
- (iv) Names, titles, and telephone and facsimile numbers (and electronic addresses if available) of persons authorized to negotiate on the offeror's behalf with the Government in connection with this solicitation; and
- (v) Name, title, and signature of person authorized to

sign the proposal. Proposals signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.

(3) Late proposals and revisions.

- (i) Any proposal received at the office designated in the solicitation after the exact time specified for receipt of offers will not be considered unless it is received before award is made and--
 - (A) It was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
 - (B) It was sent by mail (or telegram or facsimile, if authorized) or hand-carried (including delivery by a commercial carrier) if it is determined by the Government that the late receipt was due primarily to Government mishandling after receipt at the Government installation;
 - (C) It was sent by U.S. Postal Service Express Mail Next Day Service-Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays;
 - (D) It was transmitted through an electronic commerce method authorized by the solicitation and was received at the initial point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of proposals; or
 - (E) There is acceptable evidence to establish that it was received at the activity designated for receipt of offers and was under the Government's control prior to the time set for receipt of offers, and the Contracting Officer determines that accepting the late offer would not unduly delay the procurement; or
 - (F) It is the only proposal received.
- (ii) Any modification or revision of a proposal or response to request for information, including any final proposal revision, is subject to the same conditions as in subparagraphs (c)(3)(i)(A) through (c)(3)(i)(E) of this provision.

- (iii) The only acceptable evidence to establish the date of mailing of a late proposal or modification or revision sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the proposal, response to a request for information, or modification or revision shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors or respondents should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.
- (iv) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.
- (v) The only acceptable evidence to establish the date of mailing of a late offer, modification or revision, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c)(3)(iii) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors or respondents should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.
- (vi) Notwithstanding paragraph (c)(3)(i) of this provision, a late modification or revision of an otherwise successful proposal that makes its terms more favorable to the Government will be considered at any time it is received and may be accepted.
- (vii) Proposals may be withdrawn by written notice or telegram (including mailgram) received at any time before award. If the solicitation authorizes facsimile proposals, proposals may be withdrawn via facsimile received at any time

before award, subject to the conditions specified in the provision entitled "Facsimile Proposals." Proposals may be withdrawn in person by an offeror or an authorized representative, if the representative's identity is made known and the representative signs a receipt for the proposal before award.

- (viii) If an emergency or unanticipated event interrupts normal Government processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the solicitation, and urgent Government requirements preclude amendment of the solicitation or other notice of an extension of the closing date, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal Government processes resume. If no time is specified in the solicitation, the time for receipt is 4:30 p.m., local time, for the designated Government office.
- (4) Unless otherwise specified in the solicitation, the offeror may propose to provide any item or combination of items.
- (5) Proposals submitted in response to this solicitation shall be in English and in U.S. dollars, unless otherwise permitted by the solicitation.
- (6) Offerors may submit modifications to their proposals at any time before the solicitation closing date and time, and may submit modifications in response to an amendment, or to correct a mistake at any time before award.
- (7) Offerors may submit revised proposals only if requested or allowed by the Contracting Officer.
- (8) Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of notice by the Contracting Officer.
- (9) Offerors may submit proposals that depart from stated requirements. Such proposals shall clearly identify why the acceptance of the proposal would be advantageous to the Government. Any deviations from the terms and conditions of the solicitation, as well as the comparative advantage to the Government, shall be clearly identified and explicitly defined. The Government reserves the right to amend the solicitation to allow all offerors an opportunity to submit revised proposals based on the revised requirements.
- (d) Offer expiration date. Proposals in response to this solicitation will be valid for the number of days specified on the solicitation cover sheet (unless a different period is proposed by the offeror).

(e) Restriction on disclosure and use of data. Offerors that include in their proposals data that they do not want disclosed to the public for any purpose, or used by the Government except for evaluation purposes, shall--

- (1) Mark the title page with the following legend: This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed--in whole or in part--for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of--or in connection with--the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [insert numbers or other identification of sheets]; and
- (2) Mark each sheet of data it wishes to restrict with the following legend: Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.

(f) Contract award.

- (1) The Government intends to award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation.
- (2) The Government may reject any or all proposals if such action is in the Government's interest.
- (3) The Government may waive informalities and minor irregularities in proposals received.
- (4) The Government intends to evaluate proposals and award a contract without discussions with offerors (except clarifications as described in FAR 15.306(a)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.
- (5) The Government reserves the right to make an award on

- L.3 52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR
INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997)

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granted, and whether the price is fair and reasonable.

- (i) Identification of the law or regulation establishing the price offered. If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.
- (ii) Commercial item exception. For a commercial item exception, the offeror shall submit, at a minimum, information on prices at which the same item or similar items have previously been sold in the commercial market that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include--
 - (A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), e.g., wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities;
 - (B) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market;
 - (C) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.
- (2) The offeror grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this provision, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the offeror's determination of the prices to be offered in the catalog or marketplace.

granted an exception from the requirement to submit cost or pricing data, the following applies:

- (1) The offeror shall prepare and submit cost or pricing data and supporting attachments in accordance with Table 15-2 of FAR 15.408.
- (2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions such as letter contracts), the offeror shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.406-2.

[End of Provision]

L.4 52.216-1 TYPE OF CONTRACT (APR 1984)

The Government contemplates award of a cost-plus-fixed-fee contract resulting from this solicitation.

[End of Provision]

L.5 52.233-2 SERVICE OF PROTEST (AUG 1996)

- (a) Protests, as defined in Section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

Carlton Bennett

- (b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

L.6 GENERAL INSTRUCTIONS TO OFFERORS

- (a) The offeror should submit one original and 2 copies of a technical proposal and one original and 2 copies of a cost proposal. The Technical Proposal and Cost Proposal must be kept separate from each other. Technical Proposals must not make reference to pricing data in order that the technical evaluation may be made strictly on the basis of technical merit.

- (b) Submission of Alternate Proposals

All offerors shall submit a proposal directly responsive to the terms and conditions of this RFP. If an offeror chooses to submit an alternative proposal, they must, at the same time, submit a proposal directly responsive hereto for any alternate to even be considered.

- (c) Government Obligation

The US Government is not obligated to make an award or to pay

for any costs incurred by the offeror in preparation of a proposal in response hereto.

[End of Provision]

L.7 INSTRUCTIONS FOR THE PREPARATION OF THE TECHNICAL PROPOSAL

- (a) The Technical Proposal in response to this solicitation should address how the offeror intends to carry out the Statement of Work contained in Section C. It should also contain a clear understanding of the work to be undertaken and the responsibilities of all parties involved. The technical proposal should be organized by the technical evaluation criteria listed in Section M.
- (b) The past performance references required by this section shall be included as an annex or attachment of the technical proposal.
- (c) The technical proposal should, at a minimum, include the following:
 - (i) Offeror's proposed results for this activity, and these results shall contribute toward the purpose of further fiscal and customs reform by enabling formulation and implementation of informed policy decisions to further develop the fiscal infrastructure necessary for a market economy and by reforming administrative procedures to improve efficiency, transparency and revenue collections.
 - (ii) A detailed Implementation Plan describing the approach , rationale and strategy that will support the results being proposed by the offeror. The successful offeror's Implementation Plan shall be incorporated into the contract resulting from this solicitation.
 - (iii) A detailed Milestone Plan (MP) that shall serve as a road map for all contractor activities. The MP shall set forth the major results, activities, and deliverables within the Statement of Work of the contract, which the contractor shall work towards achieving. The MP shall also serve as a monitoring and evaluation tool for both the contractor and USAID. The MP must be established on a semi-annual basis. The MP shall become effective with the award of the contract resulting from this solicitation.
 - (iv) The offeror shall submit a management and staffing plan to implement the proposed approach, including resumes of key personnel and signed letters of commitment from each individual being proposed as key personnel. The offeror shall describe management requirements, its relationship with any subcontractors and local partners, its plan for oversight, management and support of any subcontracts, as well as its plan for ensuring coordination and integration of activity components.

[End of Provision]

L.8 INSTRUCTIONS FOR THE PREPARATION OF THE COST PROPOSAL

- (a) Each offeror shall provide a budget for each line item listed in Section B. Supporting information should be provided in sufficient detail to allow a complete analysis of each line item cost. This is to include a complete breakdown of the cost elements associated with each line item and those cost associated with any proposed subcontract.
- (b) If the contractor is a joint venture or partnership, the business management proposal must include a copy of the agreement between the parties to the joint venture/partnership. The agreement will include a full discussion of the relationship between the firms including identification of the firm which will have responsibility for negotiation of the contract, which firm will have accounting responsibility, how work will be allocated, overhead calculated, and profit shared, and the express agreement of the principals thereto to be held jointly and severally liable for the acts or omissions of the other.
- (c) Detail of the offeror's management structure as it relates to performance of services described in Section C.
- (d) The representations and certifications, as set forth in Section K of this solicitation, with the last page signed. This should be completed by subcontractors as well.
- (e) A completed Certificate of Current Cost or Pricing Data (see Section J of this solicitation) for itself and each subcontractor, if the subcontract will exceed \$500,000. (This certificate should be re-submitted after negotiations have been concluded and agreement has been reached.)
- (f) Audited balance sheets and profit and loss statements or if not available, returns as submitted to Federal tax authorities for the offeror's last two complete fiscal years and for the current fiscal year as of 30 days prior to proposal submission. (The balance sheets and profit and loss statements for the current fiscal year may be unaudited.) The profit and loss statements should include details of the total cost of services sold, and be annotated by either the auditor or offeror to delineate the offeror's indirect expense pool(s) and customary indirect cost distribution base(s).
- (g) A copy of the offeror's personnel policies in effect at the time the offer is submitted.
- (h) A copy of the offeror's travel policies in effect at the time the offer is submitted.

[End of Provision]

L.9 U.S. GOVERNMENT ESTIMATE

RFP No. 111-01-013

USAID, under a class deviation to AIDAR, Appendix A, Section 2(a), hereby provides the estimate for performance of the work required hereunder. The estimate for this work is about \$14,000,000. Upon contract award, the total estimated cost shall be incorporated into Section B of the contract.

[End of Provision]

L.10 EEO COMPLIANCE REVIEW (OCT 1997)

If the award, when let, should total \$10 million or more, the prospective contractor and its known first-tier subcontractors with subcontracts of \$10 million or more shall be subject to a compliance evaluation before the award of the contract unless OFCCP has conducted an evaluation and found them to be in compliance with Executive Order 11246 within the preceding 24 months.

[END OF SECTION L]

SECTION M - EVALUATION FACTORS FOR AWARD

M.1 EVALUATION CRITERIA

Technical, cost and other factors will be evaluated relative to each other, as described herein.

- (a) The technical proposal will be scored by a technical evaluation committee using the criteria shown in this Section.
- (b) The cost proposal will be scored by the method described in this Section.
- (c) The criteria below are presented by major category, with relative order of importance, so that offerors will know which areas require emphasis in the preparation of proposals. The criteria below reflect the requirements of this particular solicitation.

Offerors should note that these criteria: (1) serve as the standard against which all proposals will be evaluated, and (2) serve to identify the significant matters which offerors should address in their proposals.

a. Technical Evaluation Criteria (Total Possible Points = 100)

1. Technical approach (40 points)

Extent to which the proposal sets forth a supportable course of action to cover all aspects necessary for the achievement of the objectives/results described in this solicitation. The proposed technical approach must be presented in sufficient detail to demonstrate how this activity will be implemented. Points under this section will be assessed on the description, effectiveness, creativity and feasibility.

2. Past Performance (35 points)

Contractor's demonstrated experience in achieving sustainable results in similar programs as per USAID past performance reports. Demonstrated sound management practices running similar programs. Sound financial and programmatic capability. Organizations should demonstrate capacity to monitor programs effectively and gather and analyze data on program impact.

3. Personnel (25 points)

Personnel will be assessed on the appropriateness of their academic background and years of experience working on fiscal and customs reform, as well as their experience working in the Europe and Eurasia Region. They will be assessed on their effectiveness and success in similar programs.

b. Cost

Points are not awarded for cost; thus, cost is of significantly less importance than the scored criteria. However, where proposals are considered essentially equal, cost may be the determining factor.

The overall standard for judging cost will be whether the cost proposal presents the best value for the cost.

The evaluation of the offeror's cost proposal shall deal with cost realism analysis. This will consist of a review of the cost portion of the offeror's proposal to determine if the overall costs proposed are realistic for the work to be performed, if the costs reflect the offeror's understanding of the requirements, and if the costs are consistent with the technical proposal. Evaluation of cost proposals will consider but not be limited to the following:

1. Cost realism and completeness of cost proposal and supporting documentation.
2. Overall cost control evidenced by the proposal (such as avoidance of excessive salaries, excessive home office staff visits, and other costs in excess of reasonable requirements).
3. Amount of proposed fee.

The cost proposal should include a detailed budget for all three years of the activity, including the following:

All schedules necessary to support and explain proposed costs with breakdowns on direct labor, fringe benefits, supplies and equipment, travel and per diem amounts, other direct costs, and indirect costs. Personnel costs, allowances and benefits, such as costs associated with resident and short-term personnel.

Travel and transportation costs, including airfares (destinations and number of trips), per diems amounts, taxis, car rentals. International travel should be identified separately and broken down by destination, number of trips, and number of travelers.

Other direct costs such as rent, equipment, supplies, domestic and international communications.

Indirect costs supported with a Negotiated Indirect Cost Rate Agreement (NICRA) from the cognizant agency, if available.

[End of Provision]

M.2 DETERMINATION OF THE COMPETITIVE RANGE AND CONTRACT AWARD

- (a) The competitive range of offerors with whom negotiation will be conducted (if necessary) will be determined by the Contracting Officer based on the above technical and cost evaluation factors, and will be comprised of all offerors whose proposals are determined to have a reasonable chance of being selected for award.

- (b) In accordance with FAR 52.215-16, and as set forth in Section L of this solicitation, award will be made by the Contracting Officer to the responsible offeror whose proposal, conforming to the solicitation, is most advantageous to the Government,

and the above technical and cost factors considered. The formula set forth above will be used by the Contracting Officer as a guide in determining which proposals will be most advantageous to the Government.

[End of Provision]

M.3 CONTRACTING WITH SMALL BUSINESS CONCERNS AND DISADVANTAGED ENTERPRISES

USAID encourages the participation of small business concerns and disadvantaged enterprises in this project, in accordance with FAR Part 19 (48 CFR Chapter 1), and AIDAR Part 726 (48 CFR Chapter 7). Accordingly, every reasonable effort will be made to identify and make use of such organizations. All evaluation criteria being found equal, the participation of such organizations may become a determining factor for selection.

[End of Provision]

[END OF SECTION M]